INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Eleventh Implementation Support Mission
(February 28 to March 14, 2014)

Aide Memoire

I. Introduction

1. A World Bank mission\(^1\) visited the Ministry of Urban Development, state and city officials of participating cities and held discussions on the Project to review overall project progress and performance. The Mission met with the Project Management Unit (PMU) within the MoUD and Project Management Consultants (PMC) and visited Naya Raipur, Pimpri-Chinchwad and Hubli-Dharwad, and held discussions with officials from Mysore KSRTC and Indore through Audio. During the meetings, the mission had an opportunity to interact with the city Project Implementing Units (PIU) as well as various consultants, contractors and NGO’s assisting the PIUs with project preparation and implementation. The mission would like to express its appreciation for the hospitality extended, the useful discussions arranged and for the excellent arrangements made for the field visits.

2. The main mission objectives included the following:

   - Review implementation progress in demonstration cities under the project
   - **Hubli-Dharwad** - Review progress in regards to (i) RAP and EIA/EMP updation; (ii) Alternatives Analysis and finalisation of alternatives; (iii) Implementation Schedule; (iv) communications strategy and consultations; (v) completion of safeguards actions; (vi) progress on TAs; (vii) Requirement for additional GEF resources
   - **Pimpri-Chinchwad** - Review overall project progress in regard to (i) BRT implementation schedule; (ii) Service Plan - Corr 1 & 2; Corr 3 &4; (iii) Progress on Empire Estate Flyover; (iv) Progress on safeguard issues (v) and TA activities;
   - **Naya Raipur** - Review project progress with regard to (i) NMT procurement and designs of missing links; (ii) BRT Infrastructure contract, (iii) Railway Station pick up point; (iv) TOD Study and other consultancies
   - **Indore** - Review project progress including (i) procurement of ITS; (ii) TAs
   - **Mysore** - Review progress on remedial actions to address observed hardware failures;
   - Assess the implementation progress under Component 1B
   - Agree on GEF grant reallocation and restructuring

3. The mission shared the key findings of the Mission with the National Project Manager, Mr. I.C. Sharma and his team. The Mission will debrief Mr. Ajay Singh, Director, DEA, on his return from election duty. The summary of Mission highlights includes the following:

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\(^1\)The mission consisted of Nupur Gupta (Task Team Leader), Ke Fang (Urban Transport Specialist), Shigeyuki Sakaki (Urban Transport Specialist), I.U.B. Reddy (Social Specialist), Gaurav Joshi (Environment Specialist), Rohit Gawri (Information Analyst), Dehabrata Chakraborti (Procurement Specialist), Neha Dhoundiyal (Financial Management Analyst), Sona Thakur (Communications Specialist), Gerhard Menckhoff (Public Transport Specialist – Consultant), Ishita Chauhan (Research Analyst), Anindo Chatterjee (Consultant - Communications) and Neetu Sharda (Program Assistant).
- **Overall Project** - Project progress is picking up with the initiation of procurement and contract award in both Naya Raipur and the newly inducted city, Hubli-Dharwad. Roughly 65 percent of the IBRD funds have now been committed compared to 33 percent in June 2013. This is expected to improve to over 75 percent by June 2014. The pace needs to pick up further so that all procurement are concluded by September, 2014, and there is necessary focus on implementation progress of awarded contracts for actual improvements in the disbursements to become more visible. The implementation progress rating is retained at Moderately Satisfactory. However, Achievement of PDO is now rated Moderately Satisfactory, owing to the uncertainties around timely completion of land acquisition and resettlement activities in Pimpri-Chinchwad and Hubli-Dharwad, evident delays in works contract implementation and likelihood of completion of Projects within closing timelines.

- **Pimpri-Chinchwad** – While PCMC is now beginning to focus on timebound launch of BRT corridors 1 and 2, the absence of a BRT Advisor to ensure proper integration of efforts and attention to details is being felt. The slow progress on land acquisition and resettlement activities remained major areas of concern for Corridors 3 and 4. The process of allotment of EWS housing to affected people has finally commenced albeit after long delays; the issue of slow progress on Empire Estate package requires attention;

- **Naya Raipur** – Procurement of both major works packages for public transport infrastructure and NMT have been concluded, with only ITS procurement remaining. However, delays are already evident in works implementation and the next big challenge for NRDA will be of contract supervision and monitoring; NRDA also needs to start thinking proactively in terms of BRT Lite launch and sequence of activities required to achieve the same;

- **Hubli-Dharwad** – HDBRTS has completed procurement and award of three packages, initiated procurement of 4 packages, with procurement of final 4 packages proposed in May 2014. It has evaluated various alternatives in response to concerns being raised by key stakeholders and project affected people and is in the process of finalizing the same. Communications have improved; however, land acquisition needs to be expedited and traffic safety issues on the corridor require further attention;

- **Indore** - In Indore procurement of the ITS system and other consultancies is ongoing and need to be expedited. The Technical Advisory Committee constituted by the High Court has submitted its report in favor of the BRT and the final judgement on the PIL against the BRT is awaited.

- **Mysore** – The hardware has been replaced to address the failures of on bus units in the ITS Project and the issues are gradually being resolved.

- **GEF Grant Restructuring** - For the GEF funded components, MoUD has already requested DEA for (i) change in the disbursement ratio for Pimpri Chinchwad, and the following additional changes have been agreed (i) allocation of US$1.6 million to Mysore for implementation of Public Bike Sharing Project, (ii) allocation of $0.6 million towards technical assistance to HDBRTS, (iii) allocation of $0.6 million to Mysore KSRTC towards technical assistance support in implementation.

### II. Key Project Data

<table>
<thead>
<tr>
<th>Key Project Data</th>
<th>Current Ratings and Flags</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Date</td>
<td>Dec 08, 2009</td>
</tr>
<tr>
<td>Effectiveness Date</td>
<td>May 5, 2010</td>
</tr>
<tr>
<td>Closing Date</td>
<td>November 30, 2015</td>
</tr>
<tr>
<td>GEF Grant IBRD</td>
<td>US$ 20.33 mn</td>
</tr>
<tr>
<td></td>
<td>US$ 105.23 mn</td>
</tr>
<tr>
<td>Project Management</td>
<td>MS</td>
</tr>
<tr>
<td>Safeguards</td>
<td>MS</td>
</tr>
<tr>
<td>Procurement</td>
<td>MU</td>
</tr>
<tr>
<td>Financial Management</td>
<td>MS</td>
</tr>
<tr>
<td>Development Objectives</td>
<td>S</td>
</tr>
<tr>
<td>Implementation Progress</td>
<td>MS</td>
</tr>
<tr>
<td>Previous</td>
<td>Current</td>
</tr>
<tr>
<td>Disbursed Amount</td>
<td>GEF US$ 4.9 mn</td>
</tr>
<tr>
<td>-----------------</td>
<td>-------------</td>
</tr>
</tbody>
</table>

**HS**=Highly Satisfactory; **S**=Satisfactory; **MS**=Moderately Satisfactory; **MU**=Moderately Unsatisfactory; **U**=Unsatisfactory; **HU**=Highly Unsatisfactory; **NA**=Not Applicable; **NR**=Not Rated

### III. Key Agreed Actions

4. The following actions have been discussed and agreed:

<table>
<thead>
<tr>
<th>Actions to be Completed</th>
<th>By when</th>
<th>By whom</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finalize proposal for restructuring of GEF allocations and submit to DEA</td>
<td>Apr 15</td>
<td>PMU</td>
<td></td>
</tr>
<tr>
<td>Complete regular updation of Procurement Plans/ contract packages</td>
<td>Jun 01</td>
<td>PMU/ PIUs</td>
<td></td>
</tr>
<tr>
<td>Ensure recertification of audit objection amount in PCMC</td>
<td>Sep 30</td>
<td>PCMC</td>
<td></td>
</tr>
<tr>
<td>Submit status update on key agreed actions</td>
<td>Apr 10/ May 10/ June 10</td>
<td>PMU</td>
<td></td>
</tr>
<tr>
<td>Extension of PMC Contract/ Bring new PMC on board</td>
<td>Apr 15/ Jun 2</td>
<td>MoUD</td>
<td></td>
</tr>
<tr>
<td>Expedite procurement of Component 1B activities:</td>
<td></td>
<td>PMU</td>
<td></td>
</tr>
<tr>
<td>-PC1B8/ PC1B9 contract signing pending</td>
<td>Mar 21</td>
<td></td>
<td></td>
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<tr>
<td>-New activity on Barrier Free Access – Finalise ToR and issue EoI</td>
<td>Mar 31</td>
<td></td>
<td></td>
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<tr>
<td>-Prepare brief description and cost estimate of National Communications Campaign</td>
<td>April 10</td>
<td></td>
<td></td>
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<tr>
<td>Expedite execution:</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>-Select cities and submit city specific plan for PC1B1,2 and 3</td>
<td>Apr 30</td>
<td></td>
<td></td>
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<tr>
<td>-Launch the 3rd Leaders Program Training</td>
<td>Jul 31</td>
<td></td>
<td></td>
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<tr>
<td>-Finalise National Research Program Design</td>
<td>Apr 31</td>
<td></td>
<td></td>
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<tr>
<td>-Submit GHG Emissions Baseline and 1st emission reduction report</td>
<td>Mar 31/ Apr 30</td>
<td></td>
<td></td>
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<tr>
<td>Close monitoring of the Empire Estate Contractor work progress</td>
<td>Continuous</td>
<td>Pimpri-Chinchwad</td>
<td></td>
</tr>
<tr>
<td>Submit Progress Report on Empire Estate Contract</td>
<td>Monthly</td>
<td></td>
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<tr>
<td>Initiate the procurement process for hiring of traffic wardens</td>
<td>May 15</td>
<td></td>
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<tr>
<td>Completion of remaining works on Nashik Phata</td>
<td>Jun 30</td>
<td></td>
<td></td>
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<tr>
<td>Incorporation of Nigdi Terminal Interim Solution into existing Terminal Work Order</td>
<td>Apr 15</td>
<td></td>
<td></td>
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<tr>
<td>Complete Traffic Signal design on Corr 1 BRT Access Plan – submission of analysis report / concept plan</td>
<td>Jun 30</td>
<td></td>
<td></td>
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<tr>
<td>Initiate Tendering process for ITS / contract award</td>
<td>Apr. 18 / Aug 31</td>
<td></td>
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<tr>
<td>Substantial completion of pending land acquisition</td>
<td>Jun 30</td>
<td></td>
<td></td>
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<tr>
<td>Complete verification of EWS applicants / Allotment of alternative EWS houses</td>
<td>Apr 15 / May 31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actions to be Completed</td>
<td>By when</td>
<td>By whom</td>
<td>Status</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------------</td>
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<tr>
<td>Engage NGO services for support in the implementation of R&amp;R activities</td>
<td>Apr 30</td>
<td></td>
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<tr>
<td>Issue of ITS bid document / Finalize pre-bid queries &amp; addenda / Bid evaluation complete</td>
<td>Mar 15 / Apr 10 / May 16</td>
<td>Naya Raipur</td>
<td></td>
</tr>
<tr>
<td>Complete second round of M&amp;E survey and submit report</td>
<td>Jun 1</td>
<td></td>
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<tr>
<td>Submission of revised inception report for Regional Mobility Plan</td>
<td>Mar 15</td>
<td></td>
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<tr>
<td>Package on bus shelters, workshops and control centre - achieve progress as per work plan</td>
<td>Continuous</td>
<td></td>
<td></td>
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<tr>
<td>NMT Infrastructure – complete contractor mobilization / progress as per work plan</td>
<td>Apr 31 / Continuous</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finalize Railway Station pick-up point design details / contractor on board</td>
<td>Apr 15 / Jul 30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submit revised BRT Lite implementation schedule</td>
<td>Apr 15</td>
<td></td>
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<tr>
<td>TOD Study finalization and workshop</td>
<td>Apr 31</td>
<td></td>
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<tr>
<td>Submit request for change in project description</td>
<td>Mar 21</td>
<td>Indore</td>
<td></td>
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<tr>
<td>Submit ITS tender BER</td>
<td>May 15</td>
<td></td>
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<tr>
<td>BRT Accessibility Study – submit TER</td>
<td>Apr 25</td>
<td></td>
<td></td>
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<tr>
<td>Initiate EOI for Business Plan Study</td>
<td>May 17</td>
<td></td>
<td></td>
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<tr>
<td>Update and submit final procurement plan plan</td>
<td>Mar 21</td>
<td></td>
<td></td>
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<tr>
<td>Submission of monthly M&amp;E Report to review performance of system</td>
<td>Continuous</td>
<td>Mysore</td>
<td></td>
</tr>
<tr>
<td>Completion of operational acceptance</td>
<td>Jun 1</td>
<td></td>
<td></td>
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<tr>
<td>Submit action plan by KSRTC to address offline issues affecting performance of ETA</td>
<td>Apr 30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete bid evaluation of package 1, 4, 5 and 6 / contract award</td>
<td>Apr 30/ May 30</td>
<td>Hubli-Dharwad</td>
<td></td>
</tr>
<tr>
<td>Complete bid evaluation of mixed traffic lanes package 4-8 laning / contract award</td>
<td>Apr 30 / May 30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Package 3 – Finalize foot over bridges drawings / initiate bidding process</td>
<td>Mar 30 / May 18</td>
<td></td>
<td></td>
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<tr>
<td>Finalize design alternative for Dharwad city section / initiate bidding process</td>
<td>May 31</td>
<td></td>
<td></td>
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<tr>
<td>Submit Navlur ROB GAD for Railway approval / finalize design</td>
<td>Mar 24 / Jun 15</td>
<td></td>
<td></td>
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<tr>
<td>ITS system – submit concept design / final designs / initiate bidding process</td>
<td>Mar 15 / Apr 15 / May 18</td>
<td></td>
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<tr>
<td>Addendum to RAP and EIA / EMP</td>
<td>Mar 31</td>
<td></td>
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</tr>
<tr>
<td>Compensation award announcement for all villages / towns</td>
<td>Aug 31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submit BRT Impl Schedule</td>
<td>May 18</td>
<td></td>
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</tr>
<tr>
<td>Send the PBS proposal for grant assistance to MoUD/DEA/Bank</td>
<td>Mar 31</td>
<td>DULT/MCC</td>
<td></td>
</tr>
<tr>
<td>Submit note of detailed implementation and funding arrangements, FM and procurement assessment form</td>
<td>Mar 31</td>
<td>DULT/MCC</td>
<td></td>
</tr>
<tr>
<td>Designate a nodal officer for the project</td>
<td>April 15</td>
<td>DULT/MCC</td>
<td></td>
</tr>
<tr>
<td>Submit draft bid documents</td>
<td>April 30</td>
<td>DULT/MCC</td>
<td></td>
</tr>
</tbody>
</table>
IV. Project Development Objectives

5. The project’s development objective (PDO) is to promote environmentally sustainable urban transport in India and to improve the usage of environment-friendly transport modes through demonstration projects in selected cities. The Project aims to achieve this objective by supporting the implementation of India National Urban Transport Policy (NUTP), particularly those aspects of the policy that emphasize, (i) priority to the use of public transport; (ii) priority to non-motorized transport; and (iii) capacity building for developing and implementing sustainable transport systems (at both national and local levels). The key overall indicators to measure performance in achieving the project development objective are:

- The number of cities that develop an identifiable urban transport planning process (i.e., managed by professional units of government, following certain procedures and guidance, and involving various level of analytical work) increases.
- Mode shares in Pimpri-Chinchwad, Hubli-Dharwad and Naya Raipur become more sustainable by project end.
- A significant amount of co-benefits are achieved as forecast transport CO2 emissions in the demonstration cities are lower than their “business-as-usual” or “without-project” forecasts.

6. The Leaders in Urban Transport Planning training, under Component IB, introduced in CEPT University as well as those taking place in Singapore and Seoul, are ensuring exposure to urban transport officials and decision makers to the complexities and multi-faceted nature of the issues. The target is to train roughly 200 officials from across the country by the end of the Project. The technical assistance activities in regard to assistance with implementation of reforms, and development of a Research Facility within MoUD, are ongoing and are expected to contribute towards capacity building efforts for Indian cities and promote sustainable urban transport practices.

7. Among the city demonstration projects, the Mysore ITS project implementation has been completed and its performance is being closely monitored. This is a first of its kind ITS project in India and other cities/STUs in Karnataka are visiting the Mysore project to learn from the experience and replicate in their cities and STUs. KSRTC has already begun the scale up of the pilot from 500 buses to its entire fleet of 4000 buses from additional funds granted by MoRTH.

8. The other cities, Pimpri-Chinchwad, Naya Raipur, Hubli-Dharwad and Indore are in various stages of project implementation and are in the process of implementing various best practices that if implemented well would ensure project sustainability. In Naya Raipur, the launch of the interim bus service along with the State Secretariat in the new state capital has resulted in a public transport mode share of 40 percent already.

9. However, the mission noted that the new land acquisition Act had created some uncertainty and therefore delays were likely in completing acquisition in both Pimpri and Hubli Dharwad. This would adversely affect contract implementation. Already, on some awarded packages the implementation progress has been slow. In view of these, there is a likelihood of the projects not getting completed within current Project Closing timelines.

Therefore, while there are good reasons to believe that PDO could be achieved, there also emerging uncertainties around completion timelines and the rating is modified to Moderately Satisfactory.

10. The Mission noted that the PDO indicators in regard to more sustainable city mode shares appeared somewhat ambitious since such changes are not instantaneous and unlikely to be
evident immediately following Project launch. These become apparent only in the mid to longer term. It was agreed that this aspect would be reviewed further and changes made as necessary.

V. Current Implementation Progress

11. Overall Status: The Mission rates the overall project progress as *Moderately Satisfactory*. There has been reasonable progress in the actions identified during the previous missions.

12. Component 1B has progressed. Out of the 10 activities proposed, 7 are ongoing, 2 are in advanced stages of procurement, and 1 is being prepared. The second round of training program “Leaders in Urban Transport Planning” at CEPT University of Ahmedabad has concluded, and is now preparing to launch the third round in August 2014.

13. As regards the Component 2 on the City Demonstration Projects, each of the five cities has made progress since the last mission, although issues remain. In the case of Pimpri-Chinchwad, the Nashik Phata Flyover is substantially complete and been opened to traffic; the Empire Estate Flyover contract progress continues to be below expectation; Issues on land acquisition and resettlement remain. In Naya Raipur procurement of the two major works packages has been completed, however, there is now need for special attention on timely delivery of the infrastructure. Hubli-Dharwad and Indore procurement of major contract packages is underway. Land acquisition continues to be delayed in Hubli-Dharwad. The ITS system in Mysore has been implemented and operational acceptance is expected shortly.

14. While project disbursements are at 27 percent after almost four years of implementation, this is primarily on account of the non-performance of Pune and delays in finalizing packages in Naya Raipur. The progress on procurements has picked up and the status of commitment of funds is now close to 65 percent and expected to reach 76 percent by June 2014.

### Status of Contract Award and Procurement in Numbers and Value in US$mn for IBRD

<table>
<thead>
<tr>
<th></th>
<th>Awarded</th>
<th>Under Procurement</th>
<th>To be initiated</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>$</td>
<td># $</td>
<td># $</td>
</tr>
<tr>
<td>PCMC</td>
<td>2</td>
<td>35</td>
<td>0 0</td>
<td>0 0</td>
</tr>
<tr>
<td>NRDA</td>
<td>2</td>
<td>13</td>
<td>1 1</td>
<td>0 0</td>
</tr>
<tr>
<td>HDBRTS</td>
<td>3</td>
<td>21</td>
<td>4 11</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>68</td>
<td>5 12</td>
<td>25</td>
</tr>
<tr>
<td>%</td>
<td>65%</td>
<td>11%</td>
<td>23%</td>
<td>100%</td>
</tr>
</tbody>
</table>

15. The city-wise status of disbursement under the loan and grant is provided below. While the GEF Agency Fee of US$1.88 million was disbursed at the start of the project, it is not reflected in the system. The disbursement percentage for GEF has been indicated factoring this in.

<table>
<thead>
<tr>
<th>City</th>
<th>Amount Disbursed (Loan)</th>
<th>% disbursed</th>
<th>Amount Disbursed (GEF)</th>
<th>% disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1B</td>
<td>-</td>
<td>-</td>
<td>1.427</td>
<td>20%</td>
</tr>
<tr>
<td>Pimpri-Chinchwad</td>
<td>25.6</td>
<td>72</td>
<td>0.493</td>
<td>26%</td>
</tr>
<tr>
<td>Naya Raipur</td>
<td>1.00</td>
<td>7</td>
<td>0.603</td>
<td>32%</td>
</tr>
<tr>
<td>Indore</td>
<td>-</td>
<td>-</td>
<td>0.616</td>
<td>32%</td>
</tr>
<tr>
<td>Mysore</td>
<td>-</td>
<td>-</td>
<td>1.680</td>
<td>88%</td>
</tr>
<tr>
<td>Hubli-Dharwad</td>
<td>1.5</td>
<td>3</td>
<td>0.104</td>
<td>5%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>28.3</strong></td>
<td><strong>27%</strong></td>
<td><strong>4.92</strong></td>
<td><strong>27%</strong></td>
</tr>
</tbody>
</table>
Component IB
Implementation Progress: Moderately Satisfactory

16. The mission reviewed the progress on the capacity building component and the updated status is tabulated below:

Status of Activities under Component IB

<table>
<thead>
<tr>
<th>SI No.</th>
<th>Activity</th>
<th>Committed Amount (Rs. Million.)</th>
<th>Status Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Development of a structure and an operations manual for UMTA; Business Plan for Urban Transport Fund</td>
<td>24,150,000</td>
<td>Draft legislation developed. City selection completed. MoUD recommended 8 cities for preparation of city specific manuals. Draft Guidance document under development</td>
</tr>
<tr>
<td>2</td>
<td>Development of a standard architecture and plan for ITS and Traffic Management Center</td>
<td>20,070,000</td>
<td>City selection process completed. Review of proposed architecture and Operations Manual ongoing</td>
</tr>
<tr>
<td>3</td>
<td>Development of a model NMT action plan, bike sharing plan and TOD Guidelines</td>
<td>27,830,000</td>
<td>City selection report awaited. Draft Guidance document to be submitted.</td>
</tr>
<tr>
<td>5</td>
<td>GHG Emissions reduction assessment</td>
<td>28,650,000</td>
<td>Methodology developed. surveys completed and Baseline / 1st GHG</td>
</tr>
</tbody>
</table>
7

Emission Report expected in April 2014

Second round of training completed and third round proposed at CEPT in Jul/August 2014


Draft contract signed in September 2013; Final award of contract still pending; very delayed

Draft contract cleared in Feb 2014; Signing delayed

Scope to be discussed and finalised

Draft ToR prepared

281,160,000

24,116,000

305,276,000

338,400,000

33,124,000

17. It is proposed to initiate a study on ‘Guidelines for Barrier Free Access’ with the balance funds.

Component IA

18. Activities under this component are supported / funded by UNDP. These mainly include:
   • Business Plan for IUT
   • 10 Urban Transport Planning Manuals
   • 10 Training Toolkits
   • Dissemination Activity
   • Development of the National Urban Transport Knowledge Management Centre

19. The lack of implementation arrangements to ensure effective coordination between the two components and multilateral agencies was a serious design gap highlighted by the UNDP MTR Report. The report recommended inclusion of a representative from the Bank and UNDP in the Standing Committee for regular dialogue and for exploring avenues for involving IUT in the work done at the city level. The Ministry has accordingly been requested to include World Bank into the Standing Committee for Component IA.

20. The Bank participated in discussions around the urban transport Knowledge Management Centre which has had two failed tenders and IUT now proposes to develop the same on its own. The decision has been taken for the system to be procured through MoUD. However, this needs to be expedited.

Component 2: City Demonstration Projects

Implementation Progress: Moderately Satisfactory

Project Rating: Implementation
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<td><strong>Overall Project</strong></td>
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(i) **Pimpri-Chinchwad:** The flyover on corridor 3 i.e. interchange section at Nashik-Phata is substantially complete and opened to traffic, the work on corridor 4 i.e. interchange at Empire Estate, on the other hand, is progressing slowly and is at about 39% financial progress. Although the pace of the Contractor for Empire Estate interchange appears to have picked up it is still below expectation. The timelines for the launch of the BRT corridors will slip from those specified in the last mission. However, momentum has picked and key decisions in regard to express services and off board ticketing by PMPML, the bus service provider, are in place and BRT stations, terminals are being procured and or implemented. ITS has also been approved under NURM. However, the land acquisition is more or less stalled until further guidance from the state government on implementation under the new Act. There has been some progress on Resettlement activities, but these continue to lag behind and are an area of serious concern. The TA activities funded under GEF are ongoing.

(ii) **Naya Raipur:** The procurement of second major works package on NMT infrastructure has also been concluded. The tender for ITS has been issued. However, the progress on the public transport infrastructure package awarded in October 2013 is extremely poor. There has been no further movement on the pick-up point at the Raipur Railway Station proposed to be developed by the Indian Railways. On the TA activities, there is in general good progress. Many of the recommendations of the ToD Study are already being implemented.

(iii) **Mysore:** The ITS system for Mysore city bus, rolled out gradually since November 2012 had encountered initial system troubles: estimated time of arrival data is not generated, transmitted and collected at the central server; connection between the server and internet is lost; VMUs failure, some of the VMUs on bus and PIS at bus stops have been vandalized. The vendor and project management consultant have developed a remedial action plan and been addressing the problems. The problem on board hardware has all been replaced and communication issues resolved. Operational acceptance is expected soon. Comprehensive Services and Operations Analysis (CSOA) study has been initiated to further improve the business operation of Mysore city bus service.

(iv) **Indore:** The BRTS launched in April has encountered disruption due to a High Court order to allow other four wheel vehicles in the BRTS corridor. The Technical Advisory Committee constituted by the MP High Court has submitted its report recommending in favor of the BRT. However, the final order is awaited. The procurement of ITS is in advanced stages with the bids expected next month. The procurement of consultants for BRT Accessibility Plan is ongoing and AICTSL proposes to initiate a consultancy on preparing a Business Plan post the national elections. The mission again expressed concern at the delays in hiring support staff for enhancing the organizational capacity.

(v) **Hubli-Dharwad:** Procurement of depot and terminal works and key consultancy services under the project have been concluded. Tenders for the construction of BRT stations, road package in Hubli and NMT have been invited. The packages for remaining BRT stations, foot-over-bridges, road works in Dharwad, and ITMS are being finalized and will be invited following
elections. The progress of the roadworks on the main BRT corridor has been slow and DULT/HDBRTS/KRDCL have taken the decision and invited fresh tenders for the 4-8 laning. While there has been progress on evaluation of alternatives and communication and outreach activities, these will take some time to finalise. The land acquisition process for the Hubli-Dharwad BRTS component is delayed.

Details of the discussions with each of these cities are provided in Annex 2-6.

VI. Key Implementation Issues, Risks and Priority Actions

The key issues that need careful attention and close monitoring are:

21. Land Acquisition and resettlement impacts in Pimpri-Chinchwad: There is no perceived progress in land acquisition and resettlement implementation and continue to remain as an area of serious concern. The remaining private land acquisition (about 7 hectares) is now held up due to new Land Acquisition Act, which came into effect since January 01, 2014. The state Government is yet to come up with the rules for application of new compensation provisions and as a result there are no new announcements of compensation awards or notifications since January 01, 2014. As many as seven (7) cases are pending for compensation awards and publication of first notification in another two cases. There is also no progress in seeking court’s opinion on compensation valuation for affected structures in MIDC area. Some of the land acquisition is also held up due to pending court cases.

22. As regards resettlement, PCMC was unable to deliver the allotment of EWS houses to eligible households including those displaced in June 2013 as well as those residing in Transit houses within the target date of January 31, 2014, as indicated by the Ministry of Urban Development (MoUD) in their letter to the Bank in January, 2014. It is now looks this will take much longer time and thus the non-compliances related to allotment of houses to those displaced and those residing in the transit houses beyond the originally envisaged time frame of 18 months will continue to remain for some more time. In terms of land not available to the contractors is found to be 1,620 meters in Khalewad-Dehu-Alandi road and 1,608 meters in NashikPhata-Walkhad road. In case of Bank assisted sections, 538 meters (19%) is not available, though about 60 meter out of this, is expected to be made available soon as land owner has agreed to handover since he has agreed to the compensation amount.

23. Pimpri-Chinchwad - Flyover contract on Corridor 4 (Kalewadi Phata-Dehu Alandi Road): Progress of this contract is unsatisfactory with only 40% progress (in financial terms including mobilization advance) in 115% of the original contract period elapsed. With the PCMC handing over encumbrance-free land as well as Railways relocating High Tension Cables in Nov-Dec 2013, all land has now been handed to the Contractor, except that the works cannot be carried out within the Railway Land because of a payment due to the Railways. However, considering the work sites available with the Contractor, its progress has been very slow. The progress during the recent months has been in the range of only 1-1.5% (in financial terms) of contract amount. It’s understood that the slow progress is mainly due to inadequate financial inflow for execution of works. Because of the shortage of fund, the Contractor is unable to utilize its resources to their potential. Although apparently the Contractor has adequate resources in terms of Machinery and Technical Manpower, non-availability of required Labourers and Materials is slowing down the progress. PCMC has already taken some steps to improve the cash flow of the Contractor, such as, reducing the minimum billing amount, allowing secured advance for materials brought to site. But, the Contractor has been unable to make satisfactory progress. With the present rate of progress, it will take not less than another two and half years to complete all works. PCMC may like to consider taking contractual remedy for the Contractor’s failure to
comply with its obligations. The Mission suggests that PCMC may also consider talking to the Contractor’s Senior Management regarding immediate improvement in works progress to a satisfactory level.

24. **Pimpri-Chinchwad – BRT Launch and Coordination among key stakeholders:** While there has been progress on several items on the BRT corridors PCMC will in all probability not be able to launch the Corridor 1/2 before last quarter of 2014 contrary to their earlier plans to launch by April-May 2014. Similarly, Corridor 3 and 4 planned to be launched by September and October 2014 respectively, will not be ready before 3rd quarter of 2015. The revised BRT implementation Schedule, identifying the key activities leading up to the launch was discussed with the mission. It was noted that while the BRT stations, segregation and road safety improvements are ongoing these are likely to not be ready before June 2014. It was pointed out that provision for interchange terminal at Nigdi along the BRT corridor 1 had not been included in the plan. This could become a serious bottleneck to the BRT performance if not addressed in a prompt manner. The matter of traffic signals was discussed and it was reiterated that they needed to be designed with priority to BRT and for a multiple phase capability on Corridor 1 owing to the complex traffic management and road safety issues. The tender for traffic safety wardens has been delayed and they will only be available by October 2014. The results of the BRT access improvements study also need to be incorporated for execution. The new CEO, PMPML, responsible for the BRT Project from the bus operator, informed that final decision had been taken in favor of an express service on Corridor 1 and on off board fare collection. The express services will require certain design modifications at the express bus stop locations as well as for smooth BRT bus movement from and into the expressway from the BRT corridor. The ITMS though now approved, will involve delays in procurement, final design and installation well beyond BRT corridor launch. On Corridor 3 and 4, the pending land acquisition issues as well as non availability of a service plan are likely to delay launch. The Bank again advised PCMC to expedite the hiring of the BRT Advisor which would be critical in this final phase of BRT launch.

25. **Naya Raipur – BRT Infrastructure Contract:** The Mission was informed that the progress on the BRT Infrastructure contract, awarded in October 2013 and signed in December 213, was negligible thus far owing to non availability of good for construction drawings. Further, even the mobilization advance had not been paid so far. Given the already long delays on the Naya Raipur demo project, zero disbursements and the tight timelines to Project closing in November 2015, the Mission strongly advised NRDA to resolve pending issues and expedite contract execution. NRDA was also advised to ensure that there weren’t similar delays on the NMT package.

26. **Naya Raipur- Railway Station Pick up Point:** There has been no further progress in final approval of the Pick up Point by the Railways and contracting of the facility since last year when a deposit was requested and made by NRDA. This is an important pick up location and critical component of the BRT Lite Project and NRDA will need to continuously follow up with the Railways to ensure timely award and availability of the this important pick-up point at the time of launch of the BRT Lite system.

27. **Indore BRT PIL:** The mixed traffic continues to ply on the lanes reserved for the BRT. This has been in response to a Public Interest Litigation (PIL) which alleges a deterioration in the traffic situation owing to the BRTS. While the procurement of the ITS system is progressing smoothly following the bidder conference, this is a serious development which could not only undermine the demo Project but also the future of BRTs in India. AICTSL informed the Mission that the Technical Committee appointed by the High Court had reported in favor of the BRT and a final decision was expected during the next hearing scheduled on 21 March 2014.
28. **Mysore ITS Project operational acceptance.** The Mission was pleased to note that since last mission the remedial action plan has been largely implemented with all VMUs being replaced and reporting robust performance. The communication issues have also been sorted out. The issues with ETA remain with only a 50% performance. However, it is informed that the reasons for this poor performance are not system related but rather with other aspects relating to training of drivers, route deviations etc. KSRTC will now need to invest extra efforts in rectifying the offline issues for ensuring an effective ITS system with positive impact of their service. KSRTC expects operational acceptance of the ITS system within March 2014.

29. **Hubli-Dharwad – Land Acquisition:** The land acquisition process is delayed by more than 15 months from the time-line stipulated in the RAP and now expected to be completed by August, 2014. In the context of new Land Acquisition Act, the project need to seek clarifications from the State Government on the application of Karnataka Highway Act for private land acquisition in the context of new Land Acquisition Act and the method of determining the compensation to move forward in completing the private land acquisition. The other two areas of concern are: (i) finalization of alignment of ROB at Navalur which will determine the extent of private land acquisition and resettlement impacts; (ii) finalization of fly over in Dharwad city to respond to the local people’s concerns on the impacts to the businesses and houses; and (iii) seeking agreement with Dargha Trust for shifting of the affected Darga at Bhairdevakoppa.

30. **Hubli-Dharwad – Corridor Traffic Management:** Safety during construction – for vehicles and other road users, as well as workers, remains a concern with roadworks in the Hubli-Dharwad BRTS development. While some initiatives were evident these need far greater improvement to rectify the hazardous situation on the corridor.

31. **Hubli-Dharwad – Finalisation of Alternatives:** Procurement of civil works is behind schedule. This is as a result of the design changes prompted by representations from project affected persons and delays in land acquisition. At present the main sections requiring an early decision on the final alternative include (i) the RoB at Navalur, (ii) the BRT in the final section of Dharwad including terminal, (iii) Dargah. Procurements for off the corridor infrastructure are being finalized. However, its imperative to finalise the alternatives and initiate remaining procurements at the earliest in order to ensure timely completion of the BRTS Project within Project timelines.

32. **Strengthening Project Management Unit:** While the PMC’s contract has been extended until April 2014, the procurement of the new PMC is progressing slowly owing to long processing cycles within MoUD. The new PMC contract is unlikely to be in place before June 2014 and early action on extending the current PMC contract is strongly advised to avoid the uncertainty and demobilization of the PMC at this critical stage of the Project. In terms of staffing, the Mission notes that staffing within the PMU has reduced owing to turnover and recruitment process was on for hiring a new Transport Planner.

33. **Weak Project Implementation Units.** The Mission again expressed concern over the weak PIUs and their inadequate staffing which was resulting in continuing project delays. Although NRDA has hired a full time Chief Project Manager and a Transport Planner, the project progress continues to suffer from delays and inadequate oversight. In Indore, while there has been continuity of the new CEO, AICTSL, he continues to be a part time resource and the strengthening of the organization through induction of operations staff continues to be delayed. With only a full time Technical Manager in place, this does not bode well either for the organisations capacity to deliver and for city transport in general in Indore. In Pimpri too, the staffing of the BRT Cell within PMPML has been delayed.
VII. Safeguards – Environment and Social Management

Safeguards Rating: Moderately Unsatisfactory

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Environment Management

34. The overall performance of the project on Environmental Safeguards is rated as Moderately Satisfactory due to continuing concerns short comings on the implementation of EMPs, mainly relating to safety of workers, and other road users, as well as continued potential of pollution in sites, and some delays in reporting as described below. City wise details are provided in the Annex 2-6.

35. **Naya Raipur.** The mission noted that the proposed location for interchange near Raipur Railway station will have to tackle few environmental issues during construction. The issues that will need to be addressed relate to safety – both of the construction workers and passengers. This work is being envisaged to be undertaken through the Railways. The mission discussed the issue with NRDA and Railways officials and it was agreed that the EMP provisions pertaining to safety will be included in the works contract document to be used for this job.

36. For BRTS infrastructure, the contractor has recently initiated work on the depot site in Naya Raipur with only excavation underway. While the Environmental Officer of the PMC was not yet on site, the mission reviewed the format to be used for regular reporting on EHS, and provided comments on its content for future use. This could be used to share information regarding progress on the EHS aspects as work begins on several sites simultaneously. The current site will require cut material to be disposed of once the leveling of the various areas is completed. The mission advised that this should be done only at sites identified for this purpose by the NRDA. The mission also noted that the workers on the site did not use even basic personal protective equipment like helmets, safety shoes, etc. NRDA has agreed to immediately ensure that the contractor will require all personnel in the work area to have such safety gear on while working.

37. **Mysore.** The mission discussed the Public Bike Sharing scheme with DULT in Bengaluru. It again requested that the DPR be supplemented with information regarding the status of the candidate locations for bike stations. It was discussed and agreed that the lay-out plans at each location, and photographs of their current situation will be shared with the Bank to confirm that there are no adverse impacts on the environment, such as requirement of cutting of trees, or disturbance to drainage, due to the placement of these small structures. This needs to be done early so that any questions regarding the impacts of the PBS can be answered clearly. No other activities are likely to be a part of the scheme.

38. **Hubli Dharwad.** There have been marginal improvements in the safety provisions along the road contract already underway between Hubli and Dharwad. While the sites for depots and workshop have better systems to ensure safety of sites and workers, the road is a more sensitive location since it is also used by traffic between Hubli and Dharwad.
39. In the Dharwad workshop site, where the contractor has just begun work, the mission discussed the layout plan. It was agreed that HDBRTS Company will examine the feasibility of relocating facilities within the workshop such as the bus washing plant and inspection pits to ensure that any noise generating activities are located as far as practical from residential quarters adjoining the site. Considerations such as turning radius for buses to be serviced there, relocation of the landscaping island, and the possibility of providing additional shielding would also be considered at the time of the review.

40. In the Hubli depot, the mission was informed that unsuitable black cotton soil would need to be removed and fresh good earth would need to be filled up in some portions of the site. The mission discussed possible reuse of this material for areas chosen for planting within and beyond the site. It was agreed that PMC and HDBRTS Company will check out the extent to which this is feasible and share the same in the next QPR.

41. The mission discussed its comments on the 1st Addendum to the EA shared by HDBRTS company focusing on the increased quantity of plantation that will be required. This follows from the increase in the number of the trees may be required to be felled for the improvements, both along the road, and in the depot and workshop areas. The current estimate is an increase of 1827 trees with counting pending in Navalur village. The mission advised that these should be compensated in line with the agreed EMP and should be suitably factored into the plantation plan for the coming two years. In the next EA addendum, which is likely to cover the final decisions on pending items like ROB configuration in Navalur and alignment in Dharwad city, these items along with an analysis environmental, health and safety implications of the alternatives selected should also be documented. The mission also advised that the MoU with the Minor Irrigation department for the timely improvement to the Navalur tank in lieu of the volume lost in the Rayapur tank needs to be in place and referenced in the next addendum of the EA.

42. The mission was pleased to note that the HDBRTS Company has achieved its target of planting 8000 saplings and continues to monitor its survival. It has also made provisions for ensuring watering of these saplings in dry season in line with recommendation of its Green BRTS committee.

43. The mission also discussed measures to ensure that the contractors, for the civil works still to be awarded, are required to properly handle the safety aspects for their workers, and for other users of work sites like traffic, pedestrian, etc. It was agreed that the Bid documents will include explicit requirement of maintaining safe conditions throughout implementation phase of these works, including possible penalties if the agreed level of safety is not maintained. This would also be highlighted in the pre-bid conference.

44. *Pimpri Chinchwad.* The mission noted that the construction of the bridge piers in the Pavana river as part of the Empire Estate flyover contract continues to constrain the river channel. This work must be completed before the arrival of the monsoon in early June 2014. The mission advised that the PCMC should confirm this removal of material by 10th June 2014 to the Bank so that any corrective actions that need to be taken can be identified.

45. It was further surprised to note that despite previous agreements to improve the labor rest area/lodgings, for the Empire Estate flyover site, these continue to be well below that agreed as part of the EMP. The mission again asked PCMC and the contractor to ensure that the improvements like provision of improved sanitation facilities, appropriate roofing, etc. are provided as already done for the base camp in the quarry. It has been agreed that the next QPR will contain the photographs of these improvements or dismantling and shifting of these sheds to the main camp.
46. The mission again highlighted the need to document changes to the EMP with regard to the change in plantation along the road for sections already completed. It reminded the PCMC team that this revision, including the location of where the additional plantation will be carried out needs to be documented and confirmed with the Bank, and disclosed on its website. It was agreed that this will be completed by 15th April 2015. The mission also agreed that the new sites for this additional plantation would be visited during the next mission to confirm that the additional plantation can be completed in the coming rainy season.

47. The under construction package 4 in Corridor 4 needs improvements on safety aspects, especially where the excavation on the roadside has been carried out. There are no signs or delineators to alert the vehicles/road users of the fall and would require immediate attention of the PCMC and the Contractor.

Social Management

48. The Mission visited Pimpri-Chinchwad, Hubli- Dharwad and Nay Raipur and held discussions with the concerned officials and also undertook field visits. The following is the summary of the outcome of discussions on the field visits on the implementation of social safeguards.

49. Pimpri-Chinchwad BRTS. The total land acquisition involved in the two BRT sections is about 60 hectares, which was started in 2007-08. The progress to date is 52 hectares i.e. 88% of 60 hectares. The acquisition of remaining land is suffered to due to court cases and delay in issuing Rules by the State Government on the application of new Land acquisition Act provisions. Since last supervision mission in November, 2013, only a small parcel of additional land acquisition is completed and in case of 60 meters, there is an agreement with the land owners on the compensation amount and is likely to be handed over to the contractor soon. The details of payment of compensation is also not available to assess how many of the affected land owners have received compensation so far. However, there appears to be good progress in issuing the FSI/TDR certificates among those who opted for it in lieu of compensation. 94% of 197 people have received FSI/TDR. The road length that is yet to be handing over to the contractor stood at 3.23 Kms out of total length of 18.53 Kms in both the BRT corridors (17%) and the road length to be handed over in Bank financed sections stood at 21% of 2.52 Kms. The delay in handing over of these stretches is more than 3 to 4 years in each of the cases and is significantly affecting the completion of BRT corridors.

50. In case of resettlement, there has been some progress in getting all statutory clearances such as occupation certificate, consent to operate, etc. For allotment of both EWS and BSUP houses. Further there is also some progress in verifying the eligibility and issue of biometric cards and follow up with the Bank's for arranging loans. However, none of the households have got house keys for shifting to the new houses among those 60 odd displaced families in June, 2013 and those 144 households residing in transit housing, the non-compliance with safeguards remains to be an outstanding. In view of this, the social safeguard rating is retained as “Moderately Unsatisfactory”. Once there is substantial progress in allotment of houses to these two categories, the rating will revisited. The details are provided in Annex 2A.

51. Hubli-Dharwad BRTS. The magnitude of land acquisition in this proposed BRT is now revised to 62 acres including 32 acres of Government land (excluding Navalur). This land acquisition will affect about 1680 structures including 17 religious structures as a result of joint verification.
52. Since last supervision mission in November, 2013, the key activities completed includes: (i) completion of Joint verification of land acquisition impacts except for Navalur; (ii) completion of compensation negotiation for two out of 9 villages/Towns; (iii) verification of affected PAPs to determine the impact category and changes in the affected families; (iv) Payment of R&R assistance to about 50% of the non-title holders; (v) skill upgrading training to PAPs and support to vulnerable households; (vi) concluding negotiations with 15 of 17 affected religious structures for their reconstruction; and, (vii) continuing consultations with affected people and leaders of the affected religious structures. The mission clarified that the R&R assistance amounts are due for upward revision @ 10% from April 01, 2014 onwards.

53. The revised time frame envisaged for completion of land acquisition is August, 2014, which is 15 monthly behind the RAP time table of April, 2013. This may affect the handing over of land to the new contractor for construction of mix lines which is now expected by June, 2014. Since the previously identified minor non-compliances with payment of R&R assistance to some displaced are now completed, the social safeguards rating is upgraded to “Satisfactory”. The details of social safeguards impacts and agreed dated action plan are provided in Annex 6.

54. Naya Raipur BRTS. There are no know social safeguard issues in this city since the land required for the BRT infrastructure such as depots and workshops, etc; was acquired as part of new city development. The mission visited the proposed pick-up point at Railway Station and observed that the land for this proposed facility is free of encumbrances and is belong to Railways. The discussion with the contractor for the Bus depot/workshop reveals that this contractor will create certain unskilled jobs. It was mention that the requirement of unskilled labor per day is about 50-60 people. The mission advised to the contractor and supervision consultants to document the number of man-days of unskilled employment by men and women and report as part of quarterly progress reports.

VIII. Procurement, Expenditures and Disbursement Plans

55. Procurement: The Mission expressed deep concern over the long delays in updation of Procurement Plan which should be done on a regular basis. The information furnished on Contracts completed was also incomplete and partial. It was advised that the PMU/PMC may monitor and review this information regularly.

56. Prima facie, all consultancy contracts are delayed by more than six months, only one consultancy (out of 26 listed) is completed so far. One contract of PCMC is substantially delayed. The reason for delays should also be documented.

57. The Bank has allowed two envelope procurement for the project. After careful review of some recent cases, mission would require all technical evaluation reports (i.e first envelope evaluation) and also the complete techno-commercial evaluation are cleared with the Bank.

58. Mission once again emphasized the need for reduction of turnaround time in resolving clarifications from the Bank.

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59. **Financial Management:** The financial management arrangements of this project have been reviewed during the mission. The implementing agencies are adequately staffed and are maintaining financial records for the expenditures incurred. They are also regular in submission of interim financial reports and audit reports to the Bank. There is an audit objection from the Maharashtra AG and they have held the amount of Rs. 21.1 cr under objection under IBRD 7818. PCMC will need to provide necessary explanations to ensure that this expenditure is regularized and recertified by the AG no later than September 31, 2014. The budget process is now instituted by the implementing agencies but the mission team has noted that the financial estimates need to be aligned with the Procurement Plan (significant gap exists between budget estimates and actual expenditures) and needs improvement. Based on the discussions and the findings during the mission, the FM rating is retained as **Moderately Satisfactory**. The detailed FM status are provided in Annex 7.

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IX. **Project Restructuring**

60. The scope of the proposed Project Restructuring for GEF Grant was discussed in detail with the PMU and PIUs. It was agreed that the following reallocations would be undertaken under the GEF-SUTP:

- **Mysore Public Bike Sharing Project** ($1.6 million): The DPR for the Project is ready and it has been informed that the Project would be implemented through Mysore City Corporation. Both DULT and MCC shall be responsible for the expenditures during the operations phase of the Project given the tight timelines for Project Closing. Bid Documents for Equipment Supply, Installation and O&M shall be prepared and tendering initiated immediately following the national elections. Roughly INR 70 million will be required for the upfront capital expenditure in the Project and about INR 10 million for Promotion and Outreach activities around the Project.

- **Mysore ITS Technical Assistance** ($0.6 million): KSRTC has requested additional technical assistance funds to support the implementation of the ITS project including project management support and marketing and branding activities.

- **Hubli Dharwad BRTS Technical Assistance** ($0.6 million): HDBRTSCO and DULT have requested additional technical assistance funds as existing funds are substantially committed and falling short. The TA funds will be for supporting Project Implementation including for activities such as landscaping for the Green BRTS, environmental audit, urban designing etc.

The total allocation of $2.8 million is expected to be met out of the unallocated GEF Grant of the amount of $1.9 mn and balance from Component IB where excess funds are available especially owing to depreciation in the Rupee.
61. **Change in Disbursement Ratio for GEF funds for Pimpri Chinchwad.** As identified in the MTR Mission, the disbursement ratio for Pimpri Chinchwad GEF grant technical assistance activities will require modification as there was an error in computing it and also PCMC has initiated some Project related TAs through their own funds. After provisioning for these in the counterpart share, the disbursement ratio is expected to increase to about 90%. MoUD has already submitted a request for the change to DEA.

IX. **Project Management**

62. **Project Management:** The Mission was informed that the contract of the Project Management Consultant (PMC) has been extended by three months upto April 2014. However, since the procurement of the new PMC for the balance period has been delayed a further 3 month extension at the very minimum shall be required. The Mission also noted that the social and environment safeguards input had been deleted from the PMC contract while renewing it. This is a potential issue as both Pimpri-Chinchwad and Hubli-Dharwad have several safeguards issues and require handholding at this time.

X. **Next Mission for Bank’s Implementation support**

63. The next mission is proposed to take place between **9-20 June 2014.**
Annex 1

INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

List of Officials Met

1. Mr. C. K. Khaitan, Joint Secretary (UT), MoUD
2. Mr. I. C. Sharma, National Project Manager, SUTP Project Management Unit, MoUD
3. Ms. Rana Amani, Deputy Project Manager, SUTP PMU, MoUD
4. Mr. Ajay S. Singh, Director (MI), Department of Economic Affairs (DEA), MoF
5. Mr. Rajeev Jadhav, Commissioner, Pimpri Chinchwad Municipal Corporation
6. Mr. Rajni Patil, Joint City Engineer, Pimpri Chinchwad Municipal Corporation
7. Mr. Shrikant Savane, Executive Engineer, Pimpri Chinchwad Municipal Corporation
8. Mr. Mallikarjuna, CGM, KSRTC
9. Mr. Gururaj, KSRTC
10. Mr. N. Baijendrakumar, Chairman NRDA
11. Mr. S. S. Bajaj, Vice-Chairman, NRDA
12. Mr. Amit Kataria, CEO, NRDA
13. Mr. L.K. Panigrahi, Chief Project Manager, NRDA
14. Mr. Sandeep Soni, CEO, AICTSL
15. Mr. Rahul Shrotiya, Manager, AICTSL
16. Ms. V. Manjula, Commissioner, Directorate of Urban Land Transport, Govt. of Karnataka
17. Mr. C. M. Noormansoor, Managing Director BRTS
18. Mr. Sudesh Kumar, Team Leader, Project Management Consultants, Mott MacDonald Pvt. Ltd.
19. Mr. Amit Kumar, Transport Planner, Project Management Consultants, Mott MacDonald
Annex 2

INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Pimpri-Chinchwad

1. A World Bank Mission visited Pimpri-Chinchwad Municipal Corporation (PCMC) on 18-19 November, 2013 to discuss the implementation of the Pimpri-Chinchwad component of SUTP. It met with the Commissioner of PCMC, Mr. Rajeev Jadhav; Joint City Engineer, Mr. Rajan Patil; and their staff and consultants; also present were staff of the PMU, the PMC, and ITDP which is providing assistance with the BRT Project. On November 19, a meeting was held with PMPML, including Ms. Mayura Shindekar, CEO; and some of their staff in order to discuss the service plans proposed for BRT Corridors 1 and 2.

Proposed BRT Program in Pimpri-Chinchwad:

2. The following four BRT corridors are being established at this stage:
   
   (1) Old NH-4 (Mumbai-Pune road),
   (2) Aundh-Rawet road,
   (3) Nashik Phata to Wakad road,
   (4) Kalewadi to Dehu-Alandi road,

3. The first two corridors were sanctioned initially by JnNURM, and road construction has been completed since some time. However, construction of bus terminals is yet to begin, and much work remains to build the stations and BRT separators. On some other key elements, such as traffic engineering and signals, planning and design is yet to begin. The mission estimates that well-designed BRT operations could hardly start before mid-2015.

World Bank Supported Project

4. Corridor 3: This exclusive BRT Corridor of about 8 km length is being constructed in 3 works contracts, out of which only Contract I (costing about 53.5% of the exclusive BRT corridor length cost) is being financed by the Bank. The Table hereinafter presents the overall status of the 3 contracts in this corridor. Overall physical progress in the exclusive BRT corridor length is about 88% in financial terms. The exclusive BRT Corridor cannot be fully operational because of non-availability of land in a few stretches.

5. The Mission visited Pimpri-Chinchwad, Hubli- Dharwad and Naya Raipur and held discussions with the concerned officials and also undertook field visits. The following is the summary of the outcome of discussions on the field visits on the implementation of social safeguards.

6. Pimpri-Chinchwad BRTS. The total land acquisition involved in the two BRT sections is about 60 hectares, which was started in 2007-08. The progress to date is 52 hectares i.e. 88% of 60 hectares. The acquisition of remaining land is suffered to due to court cases and delay in issuing Rules by the State Government on the application of new Land acquisition Act provisions. Since last supervision mission in November, 2013, only a small parcel of additional land acquisition is completed and in case of 60 meters, there is an agreement with the land owners on the compensation amount and is likely to be handed over to the contractor soon. The
details of payment of compensation is also not available to assess how many of the affected land owners have received compensation so far. However, there appears to be good progress in issuing the FSI/TDR certificates among those who opted for it in lieu of compensation. 94% of 197 people have received FSI/TDR. The road length that is yet to be handing over to the contractor stood at 3.23 Kms out of total length of 18.53 Kms in both the BRT corridors (17%) and the road length to be handed over in Bank financed sections stood at 21% of 2.52 Kms. The delay in handing over of these stretches is more than 3 to 4 years in each of the cases and is significantly affecting the completion of BRT corridors.

7. **Interchange at Nashik Phata:** Progress of this contract is satisfactory. PCMC has not been able to hand over to the Contractor as yet encumbrance-free land for construction of Ramp 2. Construction of the Loop (after the land was made available in October 2013) is expected to be completed by May 2014.

8. Because of non-availability of additional land required for construction of Ramp 2, an alternative design is being prepared with 6.6 m wide Ramp (excluding the walkway, and with alternative arrangement for pedestrian movement through facilities to be constructed through a separate contract mentioned hereinafter) instead of 9.6 m wide designed earlier. It’s expected that the construction of the re-designed Ramp 2 may be completed by end-2014.

9. It’s understood that the Dispute Review Board (DRB) required to be established from the beginning of the contract, has not been established yet. It’s reported that the Contractor has made some Claim towards Compensation for Delays beyond its control (such as, delay in getting encumbrance-free land), Variations, and Additional Works. PCMC and the Contractor should resolve the matter through establishment of DRB and/or Arbitration.

10. The pedestrian facilities for crossing of BRT Corridor 1 along Mumbai-Pune National Highway 4 (NH4) as well as for travel between ground level on NH4 and Corridor 3 at higher level are not included in this contract. Unless these are constructed, both Corridor 1 and Corridor 3 BRT cannot be satisfactorily utilized by the public. PCMC has received only one Bid for these works (estimated cost INR 104.3 million, with 6 months’ time for completion) within the scheduled date, and thereafter extended the last date for submission of Bids until 15 March 2014.

**Contract II:** Land is still not available for about 500 m length. Remaining works are now expected to be completed by 31st March 2014.

**Contract III:** All works have been completed for the 2.28 km long exclusive BRT Corridor, except for one side of 260 m length for which land is not available as yet.

**Construction of Bus Stops:** One of the two contracts for this Corridor has started on 5th March 2014. Work Order for the other is likely to be issued shortly. Both have 6 months’ time for completion.

11. **Dedication of Corridor:** This contract of erecting Railing-type Separator to create completely physically separated exclusive BRT Corridor disallowing any pedestrian to cross or walk through the BRT Corridor, has started on 5th March 2014 with 9 months time for completion.
<table>
<thead>
<tr>
<th>Contract Package on Corridor 3 &amp; 4</th>
<th>Contract Value (Rs. Crore)</th>
<th>Revised Contract Value as of June 2013</th>
<th>Expenditure as of Oct-2013 (Rs. Crore)</th>
<th>Expenditure as of Feb-2014 (Rs. Crore)</th>
<th>Financial Progress on revised contract value (%)</th>
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</thead>
<tbody>
<tr>
<td>BRTS Corridor No 3 (Nashik Phata to Wakad)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Corridor 3-1 Nashik Phata Flyover</td>
<td>98.81</td>
<td>123.13</td>
<td>119.11</td>
<td>121.11</td>
<td>98%</td>
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<tr>
<td>3-2 – Nashik Phata to Kasptewasti</td>
<td>57.11</td>
<td>71.39</td>
<td>53.19</td>
<td>56.88</td>
<td>80%</td>
</tr>
<tr>
<td>3-3 – Kasptewasti to Wakad</td>
<td>28.87</td>
<td>36.09</td>
<td>45.31</td>
<td>45.31</td>
<td>126%</td>
</tr>
<tr>
<td>BRTS Corridor No 4 (Kalewadi to Dehu Alandi Road)</td>
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<td></td>
<td></td>
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<tr>
<td>4-1 – Kalewadi Phata to Chinchwadgaon bridge Phata</td>
<td>24.10</td>
<td>28.92</td>
<td>27.03</td>
<td>27.86</td>
<td>96%</td>
</tr>
<tr>
<td>4-2 – Chinchwadgaon bridge Phata to Pawana River</td>
<td>19.88</td>
<td>23.86</td>
<td>0.99</td>
<td>0.99</td>
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</tr>
<tr>
<td>Corridor 4-3 Empire Estate Flyover</td>
<td>99.42</td>
<td>125.01</td>
<td>34.43</td>
<td>39.67</td>
<td>32%</td>
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<tr>
<td>4-4 – Pawana River to KSB Chowk</td>
<td>37.29</td>
<td>43.00</td>
<td>6.68</td>
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<tr>
<td>4-5 – KSB Chowk to Dehu Alandi Road</td>
<td>37.06</td>
<td>44.48</td>
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<td>35.38</td>
<td>80%</td>
</tr>
<tr>
<td>Total</td>
<td>402.54</td>
<td>495.88</td>
<td>322.12</td>
<td>340.25</td>
<td>69%</td>
</tr>
</tbody>
</table>

12. **Corridor 4:** This exclusive BRT Corridor of about 8 km length is being constructed in 5 works contracts, out of which only Contract III (costing about 45% of the whole corridor) is being financed by the Bank. The Table hereinafter presents the overall status of the 5 contracts in this corridor. Overall physical progress in this corridor is about 41% in financial terms. The exclusive BRT Corridor cannot be fully operational because of non-availability of land in a few stretches.

13. **Contract I:** This contract is fully complete except a length of 60 m because of non-availability of land.

14. **Contract II:** Land is not available for this contract, and therefore no work has been carried out.

15. **Empire Estate Grade Separator:** Progress of this contract is highly unsatisfactory. Only 26% progress (in financial terms) has been made in 115% of the original contract period elapsed. This contract works are divided in seven parts. With the PCMC handing over
encumbrance-free land for about 200 m in Part 1 and for Loop in Part 7 as well as Railways relocating High Tension Cables in Nov-Dec 2013, all land has now been handed to the Contractor, except that the works cannot be carried out within the Railway Land because of a payment due to the Railways. However, considering the work sites available with the Contractor, its progress has been very slow. It is understood that, initially, there were delays in surveys and investigation as well as in finalizing the detailed designs. The Contractor’s mobilization as well as procurement of materials was also poor. There has been also delay in handing over encumbrance-free lands to the Contractor. The Contractor’s performance somewhat improved with the placement of current Project Manager (PM) in April 2013. The Contractor has mobilized additional resources like machinery and technical manpower in last six months. In spite of these, the progress during the recent months has been in the range of only 1-1.5% (in financial terms) of contract amount. It’s understood that the Payment Schedule is little back-loaded, and thus, as per the Contractor’s PM, they have done actually about 43% of the works. Even considering this, the Contract progress is very slow. It’s understood that the slow progress is mainly due to inadequate financial inflow for execution of works. Because of the shortage of fund, the Contractor is unable to utilize its resources to their potential. Although apparently the Contractor has adequate resources in terms of Machinery and Technical Manpower, non-availability of required Labourers and Materials is slowing down the progress.

16. It’s understood that the Contractor has been suffering from financial problems since the start of the contract. PCMC had a few meetings with the Contractor’s Senior Management from November 2012 to May 2013 on contractual, financial and technical matters. PCMC has already taken some steps to improve the cash flow of the Contractor, such as, reducing the minimum billing amount, allowing secured advance for materials brought to site. But, the Contractor has been unable to make satisfactory progress. With the present rate of progress, it could take another two and half years to complete all works. PCMC may like to consider taking contractual remedy for the Contractor’s failure to comply with its obligations. The Mission suggests that PCMC may also consider talking to the Contractor’s Senior Management regarding immediate improvement in works progress to a satisfactory level.

17. It’s understood that the Railways is not clearing the designs and drawings for the works to be carried out within the Railway Land because of a non-payment to it. There was a dispute between PCMC and the Contractor regarding this payment. The Dispute Adjudication Board (DAB)’s award dated 3rd December 2013 in this respect requires PCMC to pay INR 13.3 million and the Contractor to pay INR 2.145 million to the Railways. The Contractor has informed that it would make the payment together with the payment to be made by PCMC. PCMC needs to make this payment to the Railways at the earliest.

18. The original contract period has elapsed in October 2013. The Contractor’s claim for an Extension of Time (EoT) until 31 August 2014 is pending for long. It’s necessary that this matter be resolved urgently. On agreement on this EoT as well as Payment to the Railways (discussed hereinbefore), the Contractor should make a realistic work program for completion of the remaining works. The Contractor informed that it would take about 15 months time to complete the works within the Railway Land after the Payments are made to the Railways. This assumes satisfactory collaboration among the Railways, PCMC and the Contractor.

*Contract IV:* Works are ongoing. Land is available except for 60 m of MIDC land.

*Contract V:* 1.45 km of exclusive BRT corridor (out of the total contract length of 3.79 km) is fully complete. Land is not available for lengths of 50 m and 300 m in the remaining length.

*Construction of Bus Stops:* Two contracts covering the whole Corridor have started on 5th March 2014, both having 6 months’ time for completion.
Dedication of Corridor: This contract of erecting Railing-type Separator to create completely physically separated exclusive BRT Corridor disallowing any pedestrian to cross or walk through the BRT Corridor, has started on 5th March 2014 with 9 months’ time for completion.

19. **Terminal Points:** The need for feeder services at the end points of Corridors 3 and 4 is yet to be established on the basis of the study conducted by M/s Aakar Abhinav. This should not hold up the planning for possible terminals at these locations. As a minimum, proper turn-around facilities should be established for the BRT buses.

**Corridor 1 - Old NH 4 (Mumbai-Pune Road)**

20. This corridor will be emblematic for the BRT concept in Pimpri-Chinchwad. It is the most visible thoroughfare in the Corporation area, has by far the highest public transport demand, and thus is already served by many bus lines which will become BRT services in the future. It is therefore crucial that all elements be well planned and executed in order to result in a successful BRT operation. PMPML’s recent decisions to operate express services and to establish off-board fare control have been very positive steps to ensure efficient and attractive BRT services.

21. **BRT Terminals:** PCMC advised that the contracting of several BRT terminals has been further delayed. This is unfortunate as BRT services cannot start without those terminals being in place. The mission again expressed deep concern over the continuing delays in concluding the matter. Based on information collected during the current and previous visits, the situation is understood to be as follows:

a. At Bhakti Shakti, tenders to build a terminal on public land adjacent to the corridor have been on hold for lack of Government approval. The area falls under the Red Zone where there are building restrictions. The previous mission advised PCMC to find an alternate solution and/or consider building temporary structures for the terminal as an interim solution. The current mission was advised that, for an initial phase, the BRT services might be terminated at the Nigdi station, almost 1 km from Bhakti Shakti, from where feeder buses would go along NH 4 in mixed traffic and disperse in several directions at Bhakti Shakti. Following a field visit of the area, the mission came to the conclusion that this would be inadequate from the viewpoints of passenger convenience, operational efficiency, and traffic flow and safety. However, together with technical staff of PCMC and ITDP, an alternative option was conceived to place the terminal within the ample corridor right-of-way at Bhakti Shakti, thus obviating the need to touch the land lying in the Red Zone. The mission recommends that PCMC, with the help of consultants and/or ITDP, develop a (temporary or permanent) terminal layout at Bhakti Shakti by April 30, 2014, and subsequently produce properly elaborated tender drawings. An important element of that design – as it should be at all stations and terminals – would be a traffic engineering and road safety analysis to ensure that passengers can safely transfer between the BRT and feeder bus services.

b. At Bhosari, a design has been developed consisting of a turnaround BRT platform underneath an existing road flyover, with space for about 5 BRT-bus and 6 feeder-bus bays. BRT and feeder buses would stop at opposite sides of the same platform. A work order has been issued, and PCMC expects that construction will be completed by September 2014. The mission recommends that a traffic engineering and road safety analysis be carried out by May 31, 2014 to ensure that buses and mixed traffic flow efficiently, and that passengers and other pedestrians cross safely transfer between the bus platform and the edges of the street.

22. **BRT Express Services and Station Designs:** In this concept, express buses would run on the grade-separated central lanes of NH 4 and move at selected locations to the service road to stop at a BRT station. As mentioned in previous aide-memoires, these stations will serve more
buses (express and regular) and more passengers (locals and transfers express/regular) and thus require a modified design from the standard bus station:
   a. They should be wider (4 m rather than the standard 3 m)
   b. They should have more bus bays (3 rather than 2)
   c. They should thus be longer (about 50 m, rather than 29 m) and permit buses to pull in and out of each individual bay.
   d. A passing lane should be provided so buses can overtake each other before or after docking at the stop.

23. These modified elements should be incorporated in the station designs, and ongoing construction may have to be halted at those locations until the new designs are available. Architects had been contracted to replace the old rather unsightly designs with a more attractive design – which in fact they did develop successfully, for 2-bay stations. It was agreed that they would carry out the modifications where required for express buses. The mission recommends that the revised designs (including the station, the passing lane, and passenger access) be completed by April 30, 2014 for the affected locations. Each design would need to be elaborated case by case at a 1:500 scale, which may require field verification of the street dimensions.

24. Besides the two end points of the BRT Corridor (Bhakti Shakti and Dapodi), express stops have been envisaged at three intermediate locations: Nigdi/Pradhikaran Chowk – Pimpri – Nashik Phata.
   a. Bhakti Shakti: Both express and local bus lines will terminate there, and the suggested terminal platform should have at least 5 bays to accommodate arriving and departing BRT buses. As indicated above, the mission recommends that preliminary layout designs be prepared by April 30, 2014.
   b. Nigdi / Pradhikan Chowk: Considering that this is only one station away from Bhakti Shakti and that 2-bay stations are already under construction on both sides of the flyover, the mission recommends that only local buses stop at this station; in other words, this would not be an express bus station.
   c. Pimpri: At this important location, just next to and opposite the PCMC offices, the service roads appear wide enough to permit extra passing lanes next to the stations. Car parking along the outer curbs would need to be restricted. An extra meter could be gained if the stations were partly placed over the planter between the local and central carriageways. The mission recommends that the designs be prepared by April 30, 2014.
   d. Nashik Phata: This location, next to and opposite the railway station, would indeed be a good possibility for express buses to stop, although it would not be able to serve buses to/from the branch to Bhosari. In the northbound direction, there may be a conflict with the yet-to-be-built down ramp from the Nashik Phata flyover. Consideration may thus be given to have express buses stop at the next station instead (Kasarwadi), which would also be able to serve Bhosari-bound bus lines. The mission recommends that designs and operational options be defined for the Kasarwadi-to-Nashik-Phata complex, by April 30, 2014, taking account not only of the express bus operations, but also of the linkage with Bhosari-bound buses and with the Corridor 3 BRT station on the Nashik Phata flyover.
   e. Dapodi: The first station based on the new design has been mostly built, with two bus bays. Moreover, NH 4 is being rebuilt in this area. The mission recommends that revised station designs, with passing lanes, be prepared by April 30, 2014, taking account of the new layout of NH 4.

25. **Traffic Engineering and Signal Control:** Representatives of the PCMC Electrical Department joined one of the meetings and told the mission that about 20 intersections are
currently signalized along Corridor 1. The phasing and timing of those traffic signals are defined by the traffic police who, however, are not concerned with other traffic engineering aspects such as geometric design of intersections or the placement of refuge islands for pedestrians. For such aspects, they could consult with CDAC, a national agency engaged in traffic signal design.

26. During the field visit of the corridor, the mission noted that the signals of most major intersections operate in four phases, requiring rather long signal cycles (120 seconds or more). As it was decided to build the busway segregation all the way up to the intersections, additional signal phases will be required – unless right turning mixed-traffic movements can be eliminated. With the current signal phasing approach, this would require in yet longer signal cycles, resulting in excessive delays for both public transport and mixed traffic. As was the case with the New Delhi busway, severe criticism may then be leveled against the BRT and the agencies responsible for implementing it. This could be avoided if modern traffic control approaches were applied. The mission therefore repeats its previous recommendation that a proper traffic engineering study be carried out by competent specialists in this field – maybe CDAC or experienced engineering consultants – of the entire corridor from Dapodi to Bhakti Shakti. They should consider such options as green-phase actuation for BRT bus movements and changes in the geometric layout of major junctions, aiming at signal cycles of no more than 90 seconds. The mission recommends that the selected traffic engineering experts prepare a first-phase report as rapidly as possible, but not later than May 31, 2014, describing the solutions envisaged. Their report should include a strip map of the entire corridor, indicating the locations and type of signal control proposed, including those station accesses where pedestrian signals are proposed. Upon consultation with PCMC and the traffic police, final designs and tender documents would be prepared in a second phase.

27. **Busway Segregation and Management of Bus Breakdowns:** It has been decided to completely fence off the one-lane busway from mixed-traffic lanes, and solid yellow fences have already been built on long sections of Corridor 1. While this will prevent the entry of pedestrians or vehicles into the busway, it may also generate operational problems should a BRT bus breakdown in this confined space. The mission was told that PMPML agreed to assign two tow-trucks to Pimpri-Chinchwad so broken-down buses can be pulled out from the busway. Still, considerable time may elapse before those tow-trucks arrive at the scene and back up the busway until reaching the broken-down bus. Considering the expected frequency of up to 80 buses in the peak hour, long lines of buses could accumulate behind the broken-down bus and be unable to get off the busway. It might be possible for the second bus to push the broken down bus until the next opening in the fence; this would be faster than the tow-truck procedure, but presumes that (a) bus motors are strong enough and (b) the front and rear bumpers of each bus permit this procedure. The mission recommends that PCMC and PMPML analyze options and devise contingency plans for the case of bus breakdowns. Possibly, the best option would involve a gap in the fence every 200 meters or so, with a busway segregation mountable by buses or tow-trucks – if so, the fence-building program should incorporate these gaps.

28. **BRT Spur to Bhosari:** As indicated above, a transfer terminal will soon be built at Bhosari, with a 90 cm high platform for the right-hand doors of BRT buses. Between Nashik Phata and Bhosari, buses would operate in mixed traffic and have low entry stops at the curb, compatible with the left-hand doors of BRT buses. While this section would not be a BRT as such (although it is fact the continuation of BRT Corridor 3), it would be desirable from the operational and image viewpoints, if these stops have at least a simple shelter and a paved platform; this was agreed in principle with PCMC. It is thought that there will be eight such stops (four on each side of the road) in this section. The mission recommends that PCMC prepare plans to upgrade the current informal stops accordingly.
29. **ITMS for BRT:** UMTC/ILFS had been appointed as Project Management Consultant for ITS work in September 2012. It prepared a Detailed Project Report, technical specifications & Request for Proposal. Tenders for the ITS were originally invited in March 2013, but no tenders were received. New tender documents are ready. If the Election Commission approves an exemption, bidding could start soon (post voting in Pune on April 17), and the ITMS equipment could be installed by September 2015. Depending on the progress of other elements, BRT services may therefore have to be initiated without an operational ITMS system.

30. **Traffic Safety Audit:** Shortly before arriving in Pimpri, the mission received the consultant’s report dated January 2014. The subject matter had been discussed during the Bank team’s previous visit to Pimpri. Regrettably, neither the new text nor the illustrations reflect the eight recommendations of the November 2013 aide-memoire. They were:

1. Consider weaving movement at slip ramps between main roadway and service road, which would imply a shortening of the busway segregation
2. Examine the safety aspects of express BRT services
3. Reconsider intersection design at (five) underpasses to achieve 2-phase rather than 3-phase signal control
4. Carry out traffic engineering and safety designs for eight intersections.
5. Identify locations of "futurlux" pedestrian crossings
6. Give attention to placing pedestrian refuge islands
7. No tabletop crossings across the busway
8. Analysis of safety features related to two-wheeler traffic.

The Bank’s comments on the report have already been submitted. The mission does not think that the recommendations of this report are very useful for the BRT project along the NH 4 corridor, and recommends that PCMC request the consultant to submit a revised report by April 15, 2014. It also recommends that any work orders that have been issued based on the safety audit be reconsidered.

**Studies, Technical Assistance (TA) and Capacity Building:**

31. Presentations were made of various studies under implementation, financed under the GEF grant.

(a) **Parking Policy and Master Plan:** The contract was signed with UMTC in October 2013, the study commenced in November, and the Inception Report was submitted and commented on by the Bank.

(b) **BRT Passenger Access:** The consultants, MVA Systra, made another interesting presentation on the concepts of accessible transport. Their Inception Report was submitted in January 2014. The Analysis Report is due in late March, and the Concept Design Proposal in May 2014. The mission recommends that the study, should coordinate with other, separate studies, such as the traffic safety audit and the traffic engineering study recommended above for Corridor 1. Also, its important for the consultants to align to the delivery plan of PCMC to ensure good use of the work developed by them.

(c) **Promotion & Outreach Plan for BRT:** The selected consultants, IBI Group, submitted their Inception report in December 2013. By end-February 2014, they also completed an external environmental analysis and a communications strategy. A specific communications plan has also been submitted to PCMC and is awaiting approval. In March, options for the system’s name and logo are to be presented. The work appears to progress satisfactorily, and the mission recommends that the consultants collaborate closely with PCMC’s Communications Department and the
BRT cell of PMPML, both of which will have to implement the outreach activities on a continuing basis.

(d) **Monitoring and Evaluation:** The M&E consultants, IBI Group, presented the current status of the study, including the collection of base-year data; these have been described in the Baseline Report which was submitted in January 2014.

(e) **TOD Policy:** It was previously agreed that Detailed Development Plans be developed as pilots as part of the Policy. It is expected that this study will commence in the second semester of 2014.

32. **BRT Service Plans for Corridors 3 & 4:** Previous drafts of the BRT service plan did not include any bus services for Corridors 3 and 4. As these are new road connections, there are no existing bus routes that could be restructured, and therefore transport demand data (including origins and destination) are needed. PCMC thus contracted M/s Aakar Abhinav, from its own resources, to conduct surveys and prepare service plans for the two corridors. The consultants now presented the preliminary conclusions. For the base year 2014, they project a peak-hour demand of 2,724 passengers per direction for Corridor 3, and of 967 passengers per direction for Corridor 4, requiring 96 and 26 BRT buses respectively. The mission recommends that PMPML be consulted about the analysis and conclusions of the study, to develop service plans that are acceptable to the bus operator.

**BRT Advisor:**

33. Previous missions had recommended that PCMC hire an experienced BRT Advisor who can help ensure that all the key elements of infrastructure and service are in place for launch and initial operation of the BRT. PCMC had been pursuing this matter with CEPT, Ahmedabad, but no specific agreement was reached. In mid-November 2013, contacts were established with an independent consultant who has experience in the design and operation of BRTs. The mission strongly advised PCMC to finalise an appropriate candidate, and that the steps to contract are quickly achieved. The costs of this consultancy would be eligible for payment under the GEF grant. The mission recommends that PCMC send the TOR and other contract arrangements to the PMU and the Bank as soon as possible, so he can commence his work as soon as possible.

**Project Management**

34. **Special Purpose Unit for BRT:** The operation of a BRT implies a continuous control of bus schedules and a generally closer supervision of service quality than is common with conventional bus services. It had been confirmed during the September 2012 mission that a BRT Cell (or Special Purpose Unit) should be established within PMPML to perform these tasks. The previous mission was pleased to learn that the establishment of a BRT cell was approved in 2013, and, in particular, that a senior officer (Ms. Mayura Shindekar) has been assigned to head up that Unit. PMPML and PCMC staff have also been selected to work in the Unit. The mission reiterated its previous advice that any training of the new staff could be funded from the GEF if requested by PCMC; similarly, any short-term specialists to assist on particular tasks could be funded from the same source.

**Environment Management**

35. The mission noted that the construction of the bridge piers in the Pavana river as part of the Empire Estate flyover contract continues to constrain the river channel. While some working space may be required, the mission noted that the fill material is very wide and it was agreed on site that this can be removed quickly if required. The mission was informed that the work on 4 spans over water is programmed to be completed before the coming rainy season. This work must be completed before the arrival of the monsoon in early June 2014. The mission advised that the
PCMC should confirm this removal of material by 10th June 2014 to the Bank so that any corrective actions that need to be taken can be identified.

36. It was surprising to note that despite previous agreements to improve the labor rest area/lodgings, for the Empire Estate flyover site, these continue to be well below that agreed as part of the EMP. The mission again asked PCMC to ensure that the improvements like provision of improved sanitation facilities, appropriate roofing, etc. are provided as already done for the base camp in the quarry. It has been agreed that the next QPR will contain the photographs of these improvements or dismantling and shifting of these sheds to the main camp.

37. The mission again highlighted the need to produce an addendum to the EA to document and disclose changes to the EMP with regard to the altered plantation scheme along the road for sections already completed. It reminded the PCMC team that this revision, including the location of where the additional plantation will be carried out needs to be documented and confirmed with the Bank, and disclosed on its website. It was agreed that this will be completed by 15th April 2015. The mission also agreed that the new sites for this additional plantation would be visited during the next mission to confirm that the additional plantation can be completed in the coming rainy season.

38. The under construction package 4 in Corridor 4 needs improvements on safety aspects, especially where the excavation on the roadside has been carried out. There are no signs or delineators to alert the vehicles/road users of the fall and would require immediate attention of the PCMC and the Contractor.

39. The mission again highlighted the need to ensure provision of environmental services to the project affected people. PCMC has agreed to ensure that services of water supply, drainage, and solid waste collection and disposal will be provided at all sites where project affected people will stay. The mission requested that during the next mission visit, time should be set aside to visit these sites and if required short community environmental management plans be prepared to ensure that these sites do not pose a health risk to their residents.

Key Agreed Actions:

- Close monitoring of the Empire Estate Contractor work progress – Continuous
- Submit Progress Report on Empire Estate Contract - Monthly
- Initiate the procurement process for hiring of traffic wardens – May 15, 2014
- Completion of remaining works on Nashik Phata – June 30, 2014
- Incorporation of Nigdi Terminal Interim Solution into existing Terminal Work Order – April 15, 2014
- Complete Traffic Signal design on Corridor 1 – June 2014
- Initiate Tendering process for ITS / contract award – April 18, 2014 / August 2014
- Substantial Completion of pending land acquisition – June 30, 2014
- Complete Verification of EWS applicants/ Allotment of alternative EWS houses –April 15 / May 31, 2014
- Engage NGO services for support to implementation of R&R activities – April 30, 2014.
Annex 2-A

Social Management

Pimpri-Chinchwad BRT

40.  **Land acquisition Progress.** The total land acquisition required for the two corridors (No 3 and 4) is about 60 hectares including 10 hectares of government land transfer. Out of this, about 85% of land is available either through private land acquisition or transfer including those opted for TDR/FSI. The remaining land is not available due to pending land acquisition, transfer of MIDC and litigations due to court cases. Based on the review, it is now expected to prolong land acquisition indefinitely due to delay in finalization of Rules by the state Government to roll out the new Land acquisition Act provisions. This will seriously affect the remaining works where handing over of land is pending. There is no progress in land acquisition since January 01, 2014 due to new Land acquisition Act which has come into force since January 01, 2014 and the land acquisition department is waiting for the guidance from the state Government for application of new methodology for determination of the compensation award. The review of land acquisition status reveal that there are 9 pending land acquisition cases and out of these, in two cases the first notification is yet to be announced which will have implications for commencing the entire process under the new Act. The remaining 7 cases related to announcement of compensation awards. The summary of land acquisition details and progress is presented below.

<table>
<thead>
<tr>
<th>No</th>
<th>Land acquisition Impacts</th>
<th>Kalewadi-Dehu-Alandi Road</th>
<th>Nashki Phat Flyover</th>
<th>Nasikphata-Wakad Road</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Private Land</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Land acquisition (in Ha)</td>
<td>20.90 (100%)</td>
<td>1.57 (100.0%)</td>
<td>27.30 (100.0%)</td>
<td>49.77 (100 %)</td>
</tr>
<tr>
<td>2</td>
<td>Land acquisition completed</td>
<td>15.39 (73.64%)</td>
<td>1.09 (69.24%)</td>
<td>25.84 (94.65%)</td>
<td>42.32 (85.03%)</td>
</tr>
<tr>
<td>(ii) Government Land Transfer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Land Transfer (in Ha)</td>
<td>8.29 (100.00%)</td>
<td>00</td>
<td>1.43 (100.0%)</td>
<td>9.97 (100.00%)</td>
</tr>
<tr>
<td>4</td>
<td>Land transfer completed (in ha)</td>
<td>8.07 (97.34%)</td>
<td>00</td>
<td>1.43 (100.0%)</td>
<td>9.50 (95.28%)</td>
</tr>
<tr>
<td>(iii) Compensation payment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Award Amount (INR/Millions)</td>
<td>54.31</td>
<td>74.26</td>
<td>55.75</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>No. of land owners as per LA compensation Award</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>7</td>
<td>No of land owners received compensation</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>8</td>
<td>No. of People opted for FSI/TDR</td>
<td>46 (100.0%)</td>
<td>02</td>
<td>149 (100.0%)</td>
<td>197 (100.0%)</td>
</tr>
<tr>
<td>9</td>
<td>No. of people received FSI/TDR</td>
<td>42 (91.30%)</td>
<td>00 (0.00%)</td>
<td>143 (95.97%)</td>
<td>185 (93.90%)</td>
</tr>
</tbody>
</table>

41.  **Entitlements to different Impact groups.** The payment of R&R assistance, initiated in early 2013, has achieved a progress of 50-85 for different types of assistance. The details of payment of cash allowance as of February, 2014 is summarized below. PCMC has issued a notice in the local newspapers inviting those who have not yet collected their R&R assistance.
to come forward to collect their assistance. However, only one person has turned up to receive the assistance. This reflects that the remaining people are either not available in the project area or not interested to receive the small amounts proposed as R&R assistance. The mission was informed by PCMC that as and when any one come forward to receive the R&R assistance, they will make available to them.

<table>
<thead>
<tr>
<th>No</th>
<th>Type of assistance</th>
<th>Target</th>
<th>Progress</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Transportation allowance</td>
<td>282</td>
<td>187</td>
<td>(66.31%)</td>
</tr>
<tr>
<td>2</td>
<td>Assistance for Vulnerable Families</td>
<td>76</td>
<td>54</td>
<td>(71.05%)</td>
</tr>
<tr>
<td>3</td>
<td>Payment of subsistence allowance</td>
<td>68</td>
<td>35</td>
<td>(51.47%)</td>
</tr>
<tr>
<td>4</td>
<td>Subsistence allowance for Non-title holders</td>
<td>72</td>
<td>5</td>
<td>(06.94%)</td>
</tr>
<tr>
<td>5</td>
<td>Allotment of EWS Houses (hand over of house keys)</td>
<td>257</td>
<td>00</td>
<td>38 have been identified as eligible and out of these so far 9 have been given offer letters and 4 have deposited self-contribution</td>
</tr>
<tr>
<td>6</td>
<td>Allotment of alternative houses to affected squatter families</td>
<td>144</td>
<td>00</td>
<td>Part of supplementary RAP; 83 are identified as eligible and out of these 77 families have been issued bio-metric cards.</td>
</tr>
<tr>
<td>7</td>
<td>Payment of Vulnerability assistance to Squatter families</td>
<td>93</td>
<td>79</td>
<td>(84.95%); Part of supplementary RAP</td>
</tr>
<tr>
<td>8</td>
<td>Payment of additional subsistence allowance to shopkeepers</td>
<td>34</td>
<td>26</td>
<td>(76.47%); Part of supplementary RAP</td>
</tr>
<tr>
<td>9</td>
<td>Payment of R&amp;R assistance to affected shopkeepers</td>
<td>32</td>
<td>25</td>
<td>(81.12%); Part of supplementary RAP</td>
</tr>
<tr>
<td>10</td>
<td>MOUs with shopkeepers</td>
<td>32</td>
<td>26</td>
<td>(81.25%); Shops will allotted as and when ready</td>
</tr>
</tbody>
</table>

42. Encumbrance Removal Plan. An updated encumbrance removal plan has been shared by PCMC with the mission. Since most of the remaining encumbrances are either related to court cases or land acquisition matters, the availability of remaining stretches will depend upon the outcome of court cases and finalization of rules by the state Government for determination of compensation amount under the new Land Acquisition Act (RTFCTLARR 2013, and Act) . As of now, 3.22 kms (18%) is not available to hand-over to the contractors in both corridor 3 and 4 due to various encumbrances. In case of World Bank financed packages, 538 meters out of 2680 meters is yet to be handed over. Out of these 60 meters, is likely to be handed over as there was an agreement by the land owner. But it is no clear whether the compensation award can be passed since the new land acquisition Act do not have a provision for consent award for compensation determination. In all these case where land is not handed over, there is delay up to 4 years and continue to have an incremental time and cost escalations. The major reasons identified for this delay are delayed land acquisition, court cases and transfer of lands from other Government agencies. In case of MIDC land in Kalewadi-Dehu Alandi road, there is no agreement on the compensation for affected structures between PCMC and the affected people and as a result PCMC will approach the court for their direction, since the negotiations were held as per the court advice. There is also delay in approaching the court since there is no consensus among different departments within PCMC on the compensation rate to be offered to the affected structures on MIDC land.

Status of Handover of Encumbrance-free stretches to contractors
<table>
<thead>
<tr>
<th>No</th>
<th>Headings</th>
<th>Nasikphata-Wakad Road</th>
<th>Kalewadi-Dehu-Alandi Road</th>
<th>Total</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Length of road under BRT</td>
<td>8.09 Kms</td>
<td>10.02 Kms</td>
<td>18.11 Kms</td>
<td>WB is financing 2.68 Kms</td>
</tr>
<tr>
<td>2</td>
<td>Length of road handed over to contractors</td>
<td>6.49 Kms (80.22%)</td>
<td>8.40 Kms (83.83%)</td>
<td>14.89 Kms (82.22%)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Length of road not available for handing over to the contract due to encumbrances</td>
<td>1.60 Kms (19.78%)</td>
<td>1.62 Kms* (16.17%)</td>
<td>3.22 Kms (17.78%)</td>
<td>538* meters out of 2680 meters (19%) is not available in WB financed packages</td>
</tr>
</tbody>
</table>

*Note: 60 meters length of land is recently negotiated with land owner and expected to be available very soon.

43. **NGO services.** The non-availability of NGO services to support PCMC in the implementation of RAP is seriously affecting the mobilization of PAPs for their shifting and assist them in preparing various documentation for availing the alternative houses. The Ministry of Urban Development (MoUD) has communicated to the Bank in January, 2014 on the outcome of the Steering Committee review held in December 2103, that PCMC has hired a socially well know and respectable person to expedite the management of resettlement process However, the mission learnt that no such person has been engaged by PCMC. The mission once again reiterated the urgent need for such help to PCMC to coordinate the implementation of pending resettlement activities.

44. **EWS Housing.** These houses are being constructed as part of JNURM program to provide housing to the low income urban population. Under this scheme people get houses of 500 sf.ft at an highly subsidized rates. PCMC has offered preferential allotment to those affected by BRT schemes. The mission was informed that all statutory clearances have been obtained and the schemes has been inaugurated in December and as a result these houses are now available for allotment. Out of the 257 identified families in BRT 3 and 4 routes, so far 192 have applied for EWS houses. The verification of eligibility condition such as lost house to the project, do not own another house in PCMC area, etc. is taking longer than expected and as a result the allotment of houses is proceeding very slowly. So far only 9 have been given offer letters and out of these 4 have deposited self-contribution. However, lot of supporting documents and other formalities for availing loan need to be carried out and mission once again advised PCMC to pay attention for this aspect so that the houses can be allotted once the inauguration of houses is completed.

45. As regards those 60 households whose houses are demolished in Package 2 of Kalewadi Phata-Dehu Alandi Road in June, 2013, the mission was informed that most of these are part of 257 identified families for EWS housing. However, the details of how many of them have found eligible and how many have offered houses and how to deal with those who are not in the list is not available.

46. **Resettlement of those residing in the Transit camps.** It is more than 3 years since 144 affected non-title holders have shifted to Transit site in January, 2011. These families are support to be shifted to houses built under Basic Services for Urban Poor program. Though the houses are now available for allotment and all statutory clearances are available, the allotment is delayed due to non-resolvement of beneficiary contribution of Rs. 10,000, as most of the people have expressed their inability to pay this amount because of their non-affordability. The mission was informed that Bank of Maharashtra has agreed to provide loan towards 10% beneficiary contribution once the beneficiary contribution of Rs. 10,000 is paid by the beneficiaries. The
mission suggested to PCMC of exploring the option of either waiving the contribution or arranging this payment being made through alternative method to bring a closure on this issue. The mission was informed that out of 144 those residing in the transit housing, 83 are found to be eligible and 21 have found to have a house in PCMC area and are not eligible and the verification for the remaining 40 is not yet concluded. Some of the formalities such as issue of biometric card is completed for 77 families and the process of opening Bank account is ongoing for linking with the loan.

47. **Dated Action Plan.** The mission proposes the following key target dates for the remaining key LA and R&R actions.

<table>
<thead>
<tr>
<th>No</th>
<th>Actions</th>
<th>Responsibility</th>
<th>Target Date</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Completion of Verification of affected PAPs for determining the eligibility to EWS houses</td>
<td>PCMC</td>
<td>15-Apr-14</td>
<td>Town and country Planning Department of PCMC</td>
</tr>
<tr>
<td>2</td>
<td>Resolve the issue of beneficiary contribution to allotment of BSUP houses to those residing in Transit housing.</td>
<td>PCMC</td>
<td>15-Apr-14</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>PCMC should submit its affidavit to the court on the compensation issue on the valuation of affected d MIDC properties.</td>
<td>PCMC</td>
<td>15-Apr-14</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Engaging NGO services for support to implementation of R&amp;R activities</td>
<td>PCMC</td>
<td>30-Apr-14</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Resettlement of squatter families to new houses (handover of house keys)</td>
<td>PCMC</td>
<td>31-May-14</td>
<td>Pending since September 2012</td>
</tr>
<tr>
<td>6</td>
<td>Allotment of EWS housing to eligible households including those 60 displaced families (handover of house keys)</td>
<td>PCMC</td>
<td>31-May-14</td>
<td>Pending since Sept-15-2013</td>
</tr>
<tr>
<td>7</td>
<td>Substantial completion of pending land acquisition</td>
<td>PCMC/District Administration</td>
<td>30-Jun-14</td>
<td>Pending since June-13 and the GOM’s Notification on application of new LA Act is needed.</td>
</tr>
</tbody>
</table>
INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Naya Raipur

1. A World Bank mission met with the Naya Raipur Development Authority (NRDA) officials on March 5, 2014, to discuss the implementation of the Naya Raipur component of the Sustainable Urban Transport Program (SUTP). The mission met with Mr. S. S. Bajaj, Vice-Chairman and ex-CEO, NRDA, Mr. Amit Kataria, CEO, NRDA, Mr. L.K. Panigrahi, Chief Project Manager (SUTP), NRDA. Also present were representatives of PMU, PMC and consultants working with NRDA on various activities. The Mission subsequently met with Chairman NRDA and Pr. Secretary to Chief Minister, Mr. N. Baijendrakumar to brief him of the Project progress.

Non-Motorized Transport (NMT)

2. NMT Infrastructure. NRDA informed that LOI has been issued for the NMT Infrastructure works contract on March 4, 2014. The contract will be signed shortly and it was agreed that NRDA shall ensure their early mobilisation.

3. Access to Capital Complex: The final version of the consultants’ report presented several options of linking the Capital Complex with Section 27. As it would be impractical to keep motorized two-wheelers from using a path reserved for NMT, NRDA decided to design the links as mixed-traffic streets (including a carriageway for mixed-traffic, a bicycle-way and a sidewalk). In this manner, the travel time between Section 27 and the Capital Complex will be reduced substantially for all movements. The mission concurs with this decision. NRDA proposed and it was agreed that NRDA shall include the NMT infrastructure development along with mixed traffic link within the ongoing contract as a variation order.

4. NMT Connections to Residential Streets of Block 27: Previous missions had noted that a ditch separates the main arterial from the residential area of Block 27 which, in effect, would be accessible only from a few select locations. While this arrangement may have the positive effect of minimizing motorized traffic in narrow residential streets, it would be quite awkward for pedestrians who are much more sensitive to long detours than users of motorized vehicles and who would have to walk much longer to reach a bus stop or other destinations. NRDA agreed during this mission that more connections between the residential area and the main arterial will be built, most likely in the form of short pedestrian bridges crossing the ditch.

5. General Footpath Standards: A concern raised by previous missions is the issue of providing pedestrian facilities along the many new roads that are being developed in Naya Raipur (other than those specifically covered in the NMT plan). Some roads have already been built with narrow sidewalks; many of these are used to place street light poles which are usually located right in the middle, thereby blocking the path for pedestrians who then have to walk on the carriageway. The mission recommends that attention be given to this and similar issues and that NRDA develop standards on how to appropriately design and manage sidewalks in Naya Raipur.

Bus Rapid Transit (BRT) Lite

6. Three BRT corridors are planned:
   Corridor 1: Naipur Railway Station – NH6 – Capitol Complex in Naya Raipur (24.7 km)
Corridor 2: Kabir Nagar (Raipur) – NH43 – Capitol Complex in Naya Raipur (37.5 km)
Corridor 3: On the main east-west axis of Naya Raipur, between NH43 and NH6 (17.8 km).

**BRT Infrastructure.** The LoA was issued to the BRT infrastructure works contractor in October 2013 civil and was signed on December 12, 2013. The progress on the contract is thus far negligible. The mission was informed that payment of the mobilization advance to the contractor had still not been done as Bank Guarantee against the mobilization advance is yet to be received from the Contractor. This mission expressed concern over the delay on this issue given the poor disbursement performance of NRDA so far.

7. The mission was informed that the contractor has fully mobilized. In terms of work, the contractor has just started the earth work at the depot site. Approved drawings for boundary wall construction, pits and underground tank work has been handed over to the contractor. Drawings for bus shelters, workshop and control centre are pending approval from the architect. NRDA/PMC informed that the BoQs for the bus shelters are being proof-checked by NIT, Surat. The mission advised NRDA/PMC to expedite the approved drawings to the contractor at the earliest as the contractor was sitting idle during the best season for construction. The mission is concerned that such delayed processing of key actions is likely to adversely affect the project progress.

8. At the moment the contractor is running behind schedule by around 40 days to the original work program. PMC informed that appropriate assessment of the resources mobilized by the contractor has been made and they are adequate to stick to the work program submitted by the contractor. However, NRDA/PMC should make a realistic assessment of how the work will be completed by the contractor within the stipulated contract period. NRDA has an ambitious target of launching the BRT Lite by early January 2015. However, the mission expressed that unless the pace of the work progress is improved, the proposed target date of BRT Lite launch may be difficult to achieve.

9. **Fuelling Station.** The Fuelling Station at the Depot is being considered for construction as a public outlet at the periphery of the Depot as otherwise under the present taxation regime it would attract a hefty service charge for bulk users. The Mission advised NRDA against such an approach which was entirely motivated by a particular tax regime, which could change, and not the operational efficiency of having captive fuel supply.

10. **Bus Service Plan:** The mission was informed that the EOI s for the service plan consultancy were received and are currently under evaluation. In total, 12 Expressions of Interest have been received. The EOI evaluation process is expected to be completed by March 10, 2014. The contract award for the service plan consultancy is expected to be completed by August / September 2014. Considering that NRDA intends to have BRT Lite operations started in early 2015, this consultancy is now clearly on the critical path. The mission suggested that since the procurement has already been initiated NRDA should expedite the procurement process and be ready to award the contract latest by June 2014. The same is true for the process of contracting the bus operator. The mission recommends that these aspects be expedited, and that the service-plan consultant be on board no later than July 2014.

11. **BRT Pick-up point at Raipur Railway Station:** The layout which has been agreed with IR includes a platform for 3 BRT buses at the outer edge of the railway station plaza, between the existing garden and the avenue leading to Teleghani Naka Chowk. NRDA informed the mission that the deposit money has been paid to IR and that IR has agreed to take the responsibility of the construction of the pick-up point. NRDA informed that the final approval is awaited from IR. Considering the importance of this pick-up point and amount of time the work will take, the
mission recommends that NRDA closely monitor the progress of these approvals since this small project might not be given a high priority by the Railways.

12. **Location of BRT stations in Naya Raipur:** There are still discussions about the exact location of some BRT stations in Naya Raipur. The mission recommends that decisions be made quickly and that NRDA share them with the contractor, who has already mobilized.

13. Several options were discussed to shift the BRT station serving the future Central Business District (CBD) to be closer to the station of the suburban railway considered along the western boundary of Naya Raipur. It was agreed that this issue should take account of the expected railway passenger demand and the timing when suburban rail services would start operating. In the meantime the BRT station serving the CBD should remain at the previously considered location.

14. It was also agreed that the proposed stations 07 ad 08 should be shifted northward to better serve the proposed new hospital and the nearby residential areas.

15. In the first phase of the BRT, Station 03 on Naya Raipur’s main boulevard would be somewhat isolated from the likely bus services. The question whether and when that station is built should be revisited once the BRT service plan is available.

16. The Mission visited Pimpri-Chinchwad, Hubli- Dharwad and Nay Raipur and held discussions with the concerned officials and also undertook field visits. The following is the summary of the outcome of discussions on the field visits on the implementation of social safeguards.

17. **Pimpri-Chinchwad BRTS.** The total land acquisition involved in the two BRT sections is about 60 hectares, which was started in 2007-08. The progress to date is 52 hectares i.e. 88% of 60 hectares. The acquisition of remaining land is suffered to due to court cases and delay in issuing Rules by the State Government on the application of new Land acquisition Act provisions. Since last supervision mission in November, 2013, only a small parcel of additional land acquisition is completed and in case of 60 meters, there is an agreement with the land owners on the compensation amount and is likely to be handed over to the contractor soon. The details of payment of compensation is also not available to assess how many of the affected land owners have received compensation so far. However, there appears to be good progress in issuing the FSI/TDR certificates among those who opted for it in lieu of compensation. 94% of 197 people have received FSI/TDR. The road length that is yet to be handing over to the contractor stood at 3.23 Kms out of total length of 18.53 Kms in both the BRT corridors (17%) and the road length to be handed over in Bank financed sections stood at 21% of 2.52 Kms. The delay in handing over of these stretches is more than 3 to 4 years in each of the cases and is significantly affecting the completion of BRT corridors.

18. NRDA should confirm that these improvements have been shared with the contractor. It was also agreed that NRDA should adopt a phased approach and start planning for the next phase of BRT stations that would need to be constructed. The proposed service plan and the M&E study would constitute useful inputs in forming this plan.

19. **Construction Supervision Consultancy:** The construction supervision consultancy for the BRT and NMT infrastructure is on board since January 2014. The mission was informed that the consultant team has fully mobilized.

20. **ITS contract:** The draft bid document for the selection of the system integrator is under finalization by the ITS PMC consultant and NRDA. The mission was informed that the bid
documents have been revised taking into account the comments provided by the Bank and the PMU/PMC. The ITS system proposed for Naya Raipur include GPS based AVL system, Passenger Information System (PIS) and off board Fare Collection System consisting of e-ticketing machines. NRDA informed that they have entered into an MOU with BSNL for passive infrastructure support such as providing ducts for laying of dedicated optic fibre cable (OFC) and the arrangements are under finalization with BSNL. Therefore, it was agreed that the PMC should specify the OFC as the primary communication backbone and in addition also provision for GPRS systems for backup and redundancy. In regard to fare collection, it was agreed that the bid documents should provide for the possibility of upgrade to AFCS in future if required. Although, this was unlikely to be the case in the next five years. Finally, in addition to the 8 BRT stations, 2 BRT stations are also being developed at the Capital Complex through NRDA funds and these would also need to be factored in. The PMC may provision for an additional 5 stations over and above the 10 in the current phase. In terms of next steps, it was agreed that the DPR and bid document may be revised in light of the discussions held during the mission and NRDA should issue the bid documents after review of the PMU/PMC no later than March 7, 2014.

21. **Rolling Stock.** Tenders for the supply of 40 air conditioned BRT buses, to be funded under JnNURM, have been received and are being evaluated.

22. **Project implementation schedule for the BRT:** PIU has developed a project implementation schedule / plan for the BRT Lite. The mission noted that several factors affecting the BRT implementation such as establishment of fuel stations, finalization of the drawings, contracting for Railway station pick up point, creation of SPV, ITS, bus operator appointment etc. have not been factored into the implementation plan. The mission, therefore, advised NRDA to carefully review the implementation schedule and revise it appropriately to come up with a more realistic schedule of implementation. NRDA agreed to submit the schedule by 15 April 2014. It was suggested that the BRT Lite be launched by January 2015, and the Mission advised NRDA to review the implementation schedule in detail for a realistic assessment of launch dates. While the current contract for BRT infrastructure is upto March 2015, if indeed NRDA is keen to meet these timelines, they should review alternate options for to prioritising development of the pick up points and main BRT stations etc.

**Technical Assistance and Capacity Building**

23. **TA on Transit Oriented Development (ToD):** The Board of Directors of NRDA has approved in principle the Implementation of ToD; a new chapter on that aspect will be added to the Naya Raipur Development Plan 2031. At three locations, land use would be changed from green space to commercial and residential uses as per the study’s recommendation. The first draft for amendment in the Development Plan has been prepared and is under discussion. The final draft shall be shared with the experts and a final workshop shall be held to finalize the enabling provisions. The final report shall be submitted thereafter.

24. **Regional Mobility Plan.** The consultants presented the Inception Report, which already had been sent to the World Bank for its comments on March 3. While recognizing the richness of data that they had collected to describe the mobility in Greater Raipur, the mission voiced its concerns about the direction this important study is taking; its comments include the following:

- Chapter 6 of the Inception Report outlines the planned work for an Immediate Action Plan for Greater Raipur -- perhaps the most important chapter as its findings could be implemented quickly. Perhaps in response to the TOR, most work will be concentrated on traffic engineering measures at 15 intersections, all focusing on the movement of vehicles. There is no mention of public transport (i.e. bus) priorities at those intersections, nor of any measures to strengthen bus services (which elsewhere had been
labeled insufficient. Surely a better public transport supply is just as urgent as traffic flow at the 15 intersections.

- Chapters 7 and 8 outline an ambitious program of surveys (including a home interview O-D covering 10,000 trip makers) and the development of a transport model capable of simulating all travel modes, including walking. This is quite ambitious and the mission hopes that this will not swallow up the consultants' time so they end up doing the actual planning and evaluation work in a rush.

- Chapter 10 discusses the medium and short-term investment program. This would presumably include the recommendations of the Immediate Action Program. Table 10-1 shows a typical investment program. While this is meant for illustration only, the selection of projects (metro system, suburban rail system, freeway system, road investments, and a passenger water transport system) is not a not a good selection, even as an illustration. Not a word about BRT, the first phase is soon being implemented. The table also suggests that the investment program be defined "without constraints". It would not be useful to get an investment program that would be outside the probable availability of resources. The work scope should thus include an estimate of funding scenarios (optimistic and conservative) to help in prioritizing possible transport investments.

- Compared to other cities, for which similar work scopes may have been defined in the past, Naya Raipur will be a unique part of the Greater Raipur area, and a standard transport model may not represent well the movements within and to/from the New Town. Most of all, it would be desirable for the mobility plan include some guidelines that would help in the future land-use planning of Naya Raipur.

- As a BRT service will be implemented in the next future, the study should specifically look at the future of this mode and make recommendations on possible BRT expansions in Raipur and perhaps elsewhere in the metropolitan area.

- In some areas, such as the center of Raipur, mobility conditions for pedestrians are quite substandand. Planning for improved public space with priority on pedestrians should be an important element of this work and be part of the immediate action program.

- The current work scope focuses primarily on infrastructure needs. It would be desirable to also address institutional aspects of urban mobility, including public transport and IPT regulations, parking control, the roles of UMTA and the UTF, etc.

25. **RMP and Role of UMTA.** The Bank through the Australian Aid Trust Fund provided grant funding to the state of Chhattisgarh for assistance in structuring an UMTA for the Greater Raipur Area. The UMTA, chaired by the Chief Secretary, has now been constituted through a Government Order. It was discussed that the Regional Mobility Plan should ideally be developed under the UMTA umbrella and a meeting be called to present the Inception Report and take important decisions regarding junctions etc.

26. **Monitoring & Evaluation Study.** Based on the results of the baseline survey presented by the consultants, the Bank suggested the consultant need to develop a better understanding of the project and should closely work with NRDA to be able to deliver monitoring and evaluation data which best meets the clients requirements. For example, the traffic volumes on NH6 and NH43 separately would provide valuable input to NRDA on the level and quality of public transport arrangements to be developed along those corridors. Similarly, the location of stations and pick
up points would be an important input to NRDA in its further planning. Some of the results from
the baseline survey indicated that NRDA should start initiating some brand awareness campaigns
since a large section of the community were oblivious of BRT. The mission suggested that the
first step in this direction would be for NRDA to quickly decide on a brand name for the BRT
Lite. There was a general consensus that the baseline survey has been deliberated upon in great
length and it was time to initiate the second survey. It was agreed that the second survey will be
initiated by mid-March 2014 and concluded by April 2014.

27. **Project Implementation Unit Strengthening.** NRDA informed the Mission that the PIU
has been strengthened with the appointment of a full time Chief Project Manager and a new
Transport Planner. However, the Mission expressed concern over the functioning of the PIU and
the continued slow progress on several fronts.

28. **Environment Management.** With the finalization of the works in the area in front of the
railway station, this key missing element is now in place. The site chosen is on a small stretch in
the station where there are no environmentally sensitive receptors. The mission noted that the
proposed location for interchange near Raipur Railway station will have to tackle few
environmental issues during construction. The issues that will need to be addressed relate to
safety – both of the construction workers and road users. This work is being envisaged to be
undertaken through the Railways. The mission discussed the issue with NRDA and Railways
officials and it was agreed that the EMP provisions pertaining to safety will be included in the
works contract document to be used for this job. NRDA may now disclose this supplement to
EIA/SIA on their website.

29. The mission was informed that the Environmental Officer in the PMC team hired by
NRDA has not mobilized on site. The mission suggested that as more construction sites are
opened up, the presence of the EO will become essential. For example, works in the Old
Secretariat site in Raipur will need to take care of handling substantial quantities of demolition
waste from existing structures, in addition to the safe ingress and egress of vehicles. Plans for
these, along with measures, implementation responsibilities, and timelines would be reviewed
during the next mission.

30. Comments were provided on the EHS format shared by the PMC team supervising the
BRTS infrastructure implementation. This format can be used to share information regarding
progress on the EHS aspects as work begins on several sites simultaneously. The current site will
require cut material to be disposed of once the leveling of the various areas is completed. The
mission advised that such disposal should be carried out only at sites identified for this purpose
by NRDA. The mission also suggested that the construction of the underground fuel tank
needs to be completed before June 2014 and the construction should progress above ground level
to avoid any mishaps during the rainy season.

31. The mission also noted that the workers on the site did not use even basic personal
protective equipment like helmets, safety shoes, etc. NRDA has agreed to immediately ensure
that the contractor will require all personnel in the work area to have such safety gear on while
working. These could be returned upon leaving site and kept in safe custody until required for use
again. This shift in attitude is required to be adopted for all stakeholders for safe conditions to be
maintained throughout the project period.

32. **Social Management.** There are no know social safeguard issues in this city since the
land required for the BRT infrastructure such as depots and workshops, etc; was acquired as part
of new city development. The mission visited the proposed pick-up point at Railway Station
and observed that the land for this proposed facility is free of encumbrances and is belong to
Railways. The discussion with the contractor for the Bus depot/workshop reveals that this
contractor will create certain unskilled jobs. It was mention that the requirement of unskilled labor per day is about 50-60 people. The mission advised to the contractor and supervision consultants to document the number of man-days of unskilled employment by men and women and report as part of quarterly progress reports.

**Key Agreed Actions:**

- Issue of ITS bid document/ Finalise prebid queries & addenda/ Bid evaluation complete – March 15, 2014/ April 10/ May 16
- Complete second round of M&E survey and submit report – June 1, 2014
- Submission of revised inception report for Regional Mobility Plan — March 15, 2014.
- Resolve pending issues on BRT infra package/ Achieve progress as per Work Plan – March 30/ Continuous
- NMT Infrastructure – complete contractor mobilisation/ Progress as per Work Plan – April 30/ Continuous
- Finalise Railway Station Pick up Point Design details/ Contractor on board – April 15/ July 30, 2014
- Disclose the Environment & Social Assessment supplement of Railway Stn pick up point on website – March 31, 2014
- Submit revised BRT Lite Implementation Schedule by April 15, 2014
- ToD Study finalization and Workshop – April 31, 2014
INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Indore

1. The World Bank mission, along with PMU and PMC, held discussions with AICTSL on the project progress in regard to the Indore component through audio conference on March 12, 2014.

BRT Corridor

2. **Recent Issues with the BRTS corridor:** AICTSL briefed the mission on the development regarding the recent state high court order to allow other two and four wheelers in the BRT corridor. The Technical Committee constituted by the MP High Court has submitted their Report and the next hearing is scheduled on March 21, 2014. AICTSL informed that despite the opening of BRT lanes to mixed traffic, greater order is gradually evident and there have been fewer disruptions on the BRT corridor.

3. **BRT Bus Fleet.** In the discussions held in the last mission meeting in November 2013, the mission had expressed its concern regarding the shortfall in the fleet to be operated on the corridor. AICTSL informed the mission that the fleet has been increased from 16 in November 2013 to 26 with headway of 3-4 minutes and is expected to be further increased to 30 by end of March 2014. In an attempt to scale up their frequency and capacity, AICTSL is also in the process of entering into a lease agreement with private bus operators for about 20 buses. AICTSL informed that with every addition of buses the ridership, on an average, has been increasing by 1,500 per day which the mission acknowledges to be a very encouraging indication of the value that the BRT is bringing along with it. It is therefore important that AICTSL increases their fleet on the corridor as early as possible.

4. **Bus depots:** Not much progress has been made on the issue related to bus depot. The buses continue to be maintained in a temporary depot. AICTSL informed that another piece of land has been identified. It is envisaged that the proposed land will have a larger capacity and will be able to dock more than 50 buses.

ITS Component

5. The ITS procurement was initiated in September 2013, the pre-bid conference held in November 2013 and clarification and amendments issued in January 2014 with bid submission date of February 28, 2014. The mission was informed that based on the requests received from bidders as well as additional queries being raised the bid submission date has been further extended to April 14, 2014. The Bank advised AICTSL to not extend the bid submission date any further as adequate time had been provided to the bidders. However, it is not clear whether AICTSL will be able to receive and open bids during the modal code of conduct. A clarification on this must be sought at the earliest. If so, bid evaluation should be targeted for completion by May 31, 2014.

6. **Integration of BRT and City Bus:** Based on the discussion held during the previous mission, AICTSL held discussions with the feeder bus operators and a general consensus has been reached by both the parties concerned on the usage of smart card as a common ticketing instrument in both modes of transportation. The Mission advised AICTSL to organize a discussion with bus operators sharing with them the proposed ITS solution and its functionality with them early on to avoid any issues later.
7. **Revised Project Description.** The Indore city project description originally included Traffic Signal Priority (TSP) and Automatic Fare Collection Systems. The Mission advised AICTSL to formally request a change in the project description to include ‘CAD/AVL’ and cancel TSP which was not under consideration at present owing to its potentially lower impact and therefore priority. They should write to MoUD and DEA explaining the rationale so allocated funds can be used towards CAD/AVL instead.

8. **Technical Assistance Activities.** The Mission reviewed the status of the proposed TA activities.
   (i) **Preparation of BRT Accessibility Plan, including pedestrian access:** The pre-bid meeting was scheduled on November 22 and clarifications and amendments issued subsequently. The proposal submission date is currently March 24, 2014. However, AICTSL is unclear on whether they would be able to open the proposals during the modal code and Mission advised them to seek this advice early on as the activity needs to be expedited;
   (ii) **Monitoring & Evaluation Study.** The proposed M&E study is aimed at gathering information for AICTSL to efficiently manage BRT operations and closer to the end of the project conduct a more comprehensive M&E analysis of post project impacts.
   (iii) **Preparation of a business plan for AICTSL.** AICTSL has shared the draft ToR for review.

9. **PIU strengthening.** The mission was informed that AICTSL is in the process of finalizing the appointment of the ITS Expert by March 31, 2014. However, AICTSL has not been able to find a suitable candidate for the Transport Planner position. One of the reasons for this is unwillingness of candidates to move to Indore. The mission again urged AICTSL to hire a Transport Expert on a part time basis instead as that would at least ensure greater support to the organisation.

**Key Agreed Actions:**

- Submit Request for change in Project Description – March 21, 2014
- Submit ITS BER – May 15, 2014
- BRT Accessibility Study – Submit TER – April 25, 2014
- Initiate EoI for Business Plan Study – May 17, 2014
- Update and submit final procurement plan – March 21, 2014
- Complete hiring of ITS and Transport Expert – May 31
INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Mysore

1. A World Bank mission held discussions with KSRTC officials through audio-conference on March 4, 2014, to review and discuss the Mysore component of the GEF-Sustainable Urban Transport Program (SUTP). The mission met, KSRTC, along with other team members of KSRTC and their consultants to discuss the project’s progress. Also present in the meeting were representatives from PMU and PMC.

GEF-SUTP Funded Project

2. **Intelligent Transport Systems.** Intelligent Transport System (ITS) was implemented and launched in November 2012, and has following sub components:
   - Passenger Information System (PIS)
   - GPS based Automatic Vehicle location (AVL) System
   - Monitoring center to track and monitor bus movement through GPRS based devices

3. During the previous mission the Bank Team had held detailed discussions with KSRTC and their team of consultants and vendor on the issues facing the ITS system (hardware failures, communication issues etc.) and their plans to rectify the issues and achieve operation acceptance. A remedial action plan was subsequently developed including replacement of all 458 vehicle mounted units (VMU), change of service provider for communications, reinstalling the announcement files etc.

4. KSRTC informed that since the last mission performance improvements have been observed with regard to the VMU devices. In terms of performance, as per the M&E data for Feb 2014 (Jan 2014) 95% (89%) of in-bus display, 94% (65%) of in-bus audio, and 95% of VMUs, 86% of Bus Stops Display Boards were operational. However, the performance of the Expected Time of Arrival (ETA) continued to be deficient with only 49% (50%) functionality. However, the reasons cited for this performance are the following:
   - No schedule List in VMU
   - Route change/Route Deviation
   - Trip not started (No proper closing and starting of any trip)
   - VMU related issues
   - Other problems which includes (schedule is loaded in VMU but no ETA, survey team could not board in to the bus for checking the problem and VMU not installed in the bus).

5. Operational testing of the equipment and support systems are being conducted by the System Integrator, CMC. So far operational acceptance has been sought for the bus display and other related systems. However, testing of the VMU and ETA is still being carried out and the operational acceptance is expected to be received by March 17, 2014.

6. **Comprehensive Services and Operational Analysis (CSOA) study:** The objective of this study is to review and improve KSRTC’s internal efficiencies and effectiveness of its operations at Mysore. The activities include: Review KSRTC Mysore operations; Develop a fully allocated Operations and Maintenance Cost Model; Study the operations and evolve Key
Performance Indicators for route evaluation; Route analysis; Analysis of Key Business Processes, Commuter Facilities, Competitive Fare Structure; Characteristics of Demand and Supply balance, KSRTC constraints for Scheduling; Develop the Public Transport Network Model for existing and proposed network and cost estimates; Evolve a list of recommendations along with priorities and assist the implementation.

7. The study is now beginning to move with the consultants team fully in place. The Bank team held extensive discussions with KSRTC and their Consultant Team to discuss and clarify their comments on the inception report and a revised version addressing the issues raised has since then been submitted.

Additional GEF Grant

8. The Mission discussed with KSRTC additional requirement for funds to support the ITS Project or other initiatives of the Mysore city service. KSRTC indicated that they had requested additional funds for marketing and promotion activities for the ITS Project, PMC Support and software integration. It was agreed that KSRTC, through their Managing Director, should submit a formal proposal to MOUD.

Key Agreed Actions:

- Submission of Monthly M&E Report to review performance of system – Continuous
- Completion of Operational Testing and Issuance of Operational Acceptance – Jun 1
- Submit Action Plan by KSRTC to address offline issues affecting performance of ETA – April 30, 2014
- Submission of revised Proposal for Additional GEF Funds – March 21, 2014.
INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Mysore – Proposed Public Bike Sharing Project (PBS)

1. The mission visited Bangalore on March 6, 2014, to discuss the proposed Public Bike Sharing Project with DULT.

2. As agreed during the last mission in November 2013, the revised DPR for the proposed bike sharing project has been prepared and approved by the Bank. Mysore City Corporation (MCC) has agreed to be the implementing agency for this activity with a committee for managing the overall administration of the project. The proposed committee will be headed by the Deputy Commissioner, Mysore. The total project capital cost and operating cost for one year is estimated to be Rs.65 million for which DULT is seeking assistance from the GEF grant.

3. The mission was informed that the proposed PBS is likely to be contracted out to a private developer on a design, supply, install and operate model. Procurement for this proposed activity is expected to be initiated in May 2014 onwards with the ‘Developer’ expected to be on board by October 2014. The mission was informed that based on the present set of information available regarding PBS systems, the total time required for the entire process i.e. from installation of docking stations, setting up of control centre to starting of operations is about six months, and therefore can be easily implemented within the SUTP Project Closing timelines.

4. It was agreed that provision should be made for a comprehensive promotion and outreach program in Mysore around the PBS and any other critical technical assistance activities, and that this could be funded under the GEF Grant.

5. The mission suggested that DULT send to the PMU/DEA at the earliest a detailed proposal of the Public Sharing Scheme, including the implementation arrangements, implementation schedule and cost estimates for inclusion into SUTP.

6. Environment Management. The mission discussed the Public Bike Sharing scheme with DULT in Bengaluru. It again requested that the DPR be supplemented with information regarding the status of the candidate locations for bike stations. It was discussed and agreed that the lay-out plans at each location, and photographs of their current situation will be shared with the Bank to confirm that there are no adverse impacts on the environment, such as requirement of cutting of trees, or disturbance to drainage, due to the placement of these small structures. This needs to be done early so that any questions regarding the impacts of the PBS can be answered clearly. No other activities are likely to be a part of the scheme.

Key agreed actions included:

- DULT/MCC to send the PBS proposal for grant assistance to MOUD/DEA/Bank
- DULT/MCC to submit note of detailed implementation and funding arrangements, FM and Procurement Assessment Form by Mar 31
- DULT/ MCC to designate a Project Officer as nodal officer for the Project
- Submit draft bid documents – Apr 30
INDIA: GEF-World Bank-UNDP: Sustainable Urban Transport Program (SUTP)

Hubli-Dharwad

1. A World Bank mission visited Hubli-Dharwad on March 7 and 8, 2014, to discuss the implementation of the Hubli-Dharwad BRT project. The meetings were attended by Ms. V. Manjula, Commissioner, DULT; Mr. C. M. Noormansoor, Managing Director, HDBRTS Company and his team; and representatives from the PMC.

2. **BRT Project:** The HDBRTS Project aims at improving bus services in the Hubli and Dharwad twin cities including the implementation of a 22.3 km BRT line, consisting of the 11.8 km long corridor between the two cities and extensions into their central districts. BRT operations are expected to commence in 2015. Proposed project components include:
   - Segregated central bus lanes with median bus stops.
   - Trunk and feeder services; off-board fare collection system, with integrated ticketing of trunk and feeder services.
   - The trunk fleet will initially consist of 110 standard (12m) and 30 articulated buses, with a floor height of 900 mm above ground level.
   - Level boarding and alighting.
   - ITS for BRTS and ATCS for traffic management along the corridor.
   - Comprehensive development of the city transport infrastructure including depots, workshops, terminals both for BRT and feeder buses; ITS for BRT and traffic management; and last-mile connectivity.
   - Interchange facilities between the BRT and suburban & city services.

**Technical Discussions**

3. **BRT Alternatives in Dharwad:** It now appears that the preferred solution could be to build the busway on elevated structure between NTTF and Jubilee Circle; this would minimize land acquisition but would require an additional construction budget which is yet to be approved. The elevated structure would be about 1.1 km long and include stations at NTTF and Court Circle, in addition to the elevated terminal station at Jubilee Circle.

4. **Elevated Stations in Dharwad:** Conceptual cross sections were presented of the two elevated stations at NTTF and Court Circle. The elevated deck would be 19 m wide, providing space for the station and 4 BRT lanes (of which 2 would be passing lanes). The clear space between the deck and the street surface was shown as 7.00 m, implying a long vertical distance for passengers to climb when reaching the station platform. It was agreed that this should be reduced to 4.50 m at the stations, although between stations the clear space might be greater to account for the undulating profile of the street level. The Mission visited the two locations of the elevated stations to ensure that they would not create any major obstruction for building on either side of the corridor. It was agreed that the precise location maybe optimized keeping in mind this aspect. The mission recommends that the final layouts of each station, including details of passenger access, be sent to the PMU / World Bank for their comments – well before the tender documents are submitted for no-objection.

5. **BRT Stations:** Following the last mission, the World Bank gave its no objection to the seven typical station designs, subject to the proviso that level busway alignment (i.e. no table-top footways across the busway) be ensured. This would require a slight lengthening of the station access ramps to the pedestrian landing, the level of which would be lowered from 175 mm to 000
mm. This comment was also subject to communications in late February between DULT and the Bank / PMU. However, the necessary modifications have not yet been incorporated in the tender drawings.

6. Tenders for the construction of 26 BRT stations between Hosur Cross and Dharwad were floated on February 8; the latest date for bid submission specified for March 21. A pre-bid meeting was scheduled for March 10. The representatives of CEPT and the HDBRTS Company agreed with the mission to incorporate this small modification in the tender drawings. The mission recommends that the updated tender drawings be sent to the PMU / World Bank for their information.

7. **Foot Over-Bridges (FOBs):** The BOQ and drawings for the foot over bridge are being finalized by CEPT. At present the landing of the foot over bridges is being envisaged on the footpaths. However, the mission recommends that space required for pedestrian movement needs to be factored in while finalizing the area for landing of the FOBs on the footpath. HDBRTS informed that the designs will be finalized soon and the bids for this work will be issued by May 2014.

8. **Construction of BRT Corridor between CBT and Hosur Cross:** Tenders for this important part of the BRT system were floated on March 3; the latest date for bid submission was specified for April 5. The tender drawings included a layout south of Hosur Cross which had been modified from the original concept: The DFR had specified that the BRT services be split along the current parallel one-way thoroughfares of Glasshouse Street (northbound) and Swimming Pool Complex Street (southbound), with two one-directional BRT stations at IT Park. Subsequently the design was revised, with a segregated two-directional busway being placed in Glasshouse Street, and Swimming Pool Complex Street being changed to two-way operation for mixed traffic.

9. The aide-memoire of the previous mission, and the February 17 communication from the World Bank to DULT and the PMU, recommended that the original concept as set out in the DFR should be reinstated in order to avoid likely traffic congestion south of Hosur Cross. In its communication of February 28, DULT agreed that the Bank’s recommendation would be incorporated in the final design. Moreover, the BRT stations at IT Park would be dropped for the time being. The mission agrees with that decision (which should reduce estimated construction costs) and trusts that potential bidders have been advised of this change. It also recommends that, at the Glasshouse Street approach to Hosur Cross, a busway segregation be added (from about km 20+070 to the Hosur Cross intersection) so BRT buses can queue-jump the mixed traffic vehicles that are waiting for a green signal.

10. **BRT Transfer Terminal at Jubilee Circle:** As there are concerns being voiced in regard to the plot of land originally identified at the educational institute close to Jubilee circle, the BRT would cross Jubilee Circle on an elevated flyover, its Terminal station is now proposed on an elevated structure. The CEPT representative presented the suggested concept design, consisting of a loop with space for 9 bus bays (for 4 articulated and 5 standard-size buses) and an extra overtaking lane. Passengers would use stairs and/or escalators (and at least one lift for persons with disabilities) to descend to / ascend from ground level at various locations, including a connection to the elevated walkway proposed to connect with the Dharwad CBT (from where feeder buses will depart).

11. The mission concurred with the basic concept but voiced some concern whether the layout would have sufficient capacity for accommodating bus flows during the peak. It also pointed out that a ramp between the loop and street levels would be needed so BRT buses can reach the Dharwad bus depot. It was agreed that an extra lane would be added to the elevated
loop to provide additional capacity, and that one or two bus ramps would connect the BRT loop with the street level. The mission recommends that the final layouts of the Jubilee terminal, including details of passenger access, be sent to the PMU / World Bank for their comments – well before the tender documents are submitted for no-objection. It also recommends that a computer simulation be carried out to confirm that the proposed loop layout will be able to accommodate peak demand.

12. **Bridges over the Railway:** The current bridge over the railway at Navalur has 2 lanes for traffic, while the future corridor has a standard width of 8 lanes. KRDCL has suggested four ROB options to provide the additional lanes. These options are being evaluated by CEPT, taking account of the requirements of Indian Railways. After a joint field visit of the site, the mission recommends that a decision be taken promptly, and that the PMU / World Bank be informed about the chosen solution. The Mission also advised DULT and HDBRTSCO to initiate discussions with Railways and finalise and submit the proposed option for approval as Railway clearances took time and the Project was on the critical path.

13. **Mixed Traffic Flow:** While the objective of this project is to improve public transport (and NMT) conditions, it is important that the new facilities do not become the cause of severe mixed-traffic congestion, an effect which could create serious opposition from much of the travelling public – as had been the case in New Delhi some years ago. Such congestion is unlikely to be caused in the stretch between the two cities (where new lanes are being added), but it could occur in the existing street system of the built-up areas, where the new BRT may require additional signal phases at some intersections. CEPT has carried out some traffic simulations of individual road stretches, which resulted in higher traffic speeds for all modes, including private vehicles; however the mission was informed that similar analyses had not yet been carried out for the intersections – the neuralgic points and potential bottlenecks of any urban street system. The mission therefore repeats its earlier recommendation that signal phasings be defined and capacity analyses carried out for the key intersections in Hubli and Dharwad.

14. **Procurement Process and Implementation:** The decision regarding the trunk corridor from Jubilee Circle to Dharwad CBT (Package 2) is pending. A decision is expected to be taken after reviewing the operations on this corridor. Procurement of Foot over bridges (Package 3) has not yet been initiated. The concept has been finalized. BOQ and drawings, including technicalities such as finalization of the landings of the foot-over bridges, are currently being reviewed and finalized by CEPT. In this regard the mission advised that appropriate assessment of the available space for pedestrians should be made and factored in while finalizing the landing location of the foot-over bridge. Tenders have been floated for Road Infrastructure in Hubli (Package 1), NMT Infrastructure (Package 4), BRT Stations (Package 5 & 6). For these four packages the bids are expected to be received on April 5, 2014, and March 21, 2014 for the former and latter two respectively. Civil work procurement for BRT Depot and workshop (Package 8); Terminal – OCBS Dharwad (Package 9) and Depot & Regional Terminal at Hosur road (Package 10) has been concluded. In the case of Package 8 construction work has already commenced. As regards Package 9 and 10 are concerned, HDBRTS is yet to handover the sites to the contractor. The mission urged HDBRTSCO and NWKRTC to expedite the handing over.

15. **Technical Assistance.** The Mission appreciated the good progress on consultancy procurement. The Mission interacted with the Consultants for M&E of Social Safeguards, Communications and Outreach, PMC for BRTS and PMC for ITMS.

16. The PMC for ITS is on board and presented the needs assessment for the Project. The PMC has interacted with the local traffic police authorities and have visited other cities viz; Indore and Thiruvananthapuram for studying the existing CDAC signaling system. The mission advised that the PMC should have a detailed discussion with HDBRTS and NWKRTC to
incorporate their requirements while developing a comprehensive ITS system for HDBRTS. In addition to this, the PMC should also allow for integration of the proposed ITS system with the prevailing systems in the feeder buses. The mission advised HDBRTS to explore usage of optic fibre cable for the proposed ITS system and the provision for ducts for laying of these cables as they would provide a more robust communications backbone to the Project and would come at a potentially low cost given that construction was already proposed on the corridor. In this regard the mission was informed that cross ducts are available in the proposed corridor however providing ducts parallel to the corridor should be superior and should be evaluated separately including the cost and benefits of any such new provisions. The Mission also discussed the enterprise management/ management information system functionality and that the consultants should evaluate an integrated system.

The Mission feels that there are additional activities that would benefit the Project. These include

i. Public Space Planning Study that would be quiet critical for ensuring a smooth implementation of the BRT system in built up areas;

ii. Parking Masterplan to support the public transport system being developed; and

iii. Landscaping Architect for the Project etc.

17. Since the GEF grant is already exhausted and several of the activities are being funded by DULT/ HDBRTSCO, the Mission agreed to making an additional allocation of GEF grant funds to the tune of $0.6 million to the Project for additional activities.

Social Safeguards

18. The mission held discussions with HDBRTS Company, NGO and Monitoring consultants and also undertook field visit to road and interacted with PAPs. The summary of discussions and field visit observations are summarized below.

19. The implementation of RAP has commenced and about half of the affected non-title holders have received their R&R assistance in the form of shifting, livelihood restoration assistance and subsistence allowance. Though the compensation negotiations are completed for two villages, the compensation award is yet to be concluded and compensation is yet to be paid. The overall implementation is summarized, below.

Progress in Land acquisition and Resettlement Implementation

<table>
<thead>
<tr>
<th>No</th>
<th>Details</th>
<th>Original Target</th>
<th>Revised Target</th>
<th>Progress (In %)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Private land acquisition (in acres)</td>
<td>59.51</td>
<td>29.24</td>
<td>000</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Transfer of Government land (in acres)</td>
<td>13.55</td>
<td>32.27</td>
<td>0.15 (0.46%)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Compensation paid (in INR/Millions)</td>
<td>1684</td>
<td>NA</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>No. of non-title holders received all R&amp;R assistance</td>
<td>49</td>
<td>87</td>
<td>41 (47.00%)</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>No. of Tenants received assistance</td>
<td>87</td>
<td>00</td>
<td>00</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>No. of title holder received compensation</td>
<td>101</td>
<td>867</td>
<td>00</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>No. of Religious structures provided assistance for reconstruction.</td>
<td>8</td>
<td>17</td>
<td>00</td>
<td></td>
</tr>
</tbody>
</table>
21. **Land Acquisition.** Substantial progress is noticed in the land acquisition and structure valuation. Joint measurement Survey- one of the key step in land acquisition process has been completed except for one village- Navalur due to pending finalization of ROB alignment. The structure valuation is also completed for all villages except Navalur and Dharwad. The final notification of land acquisition will be issued when the remaining joint measurement is completed in Navalur. The overall land acquisition is delay by about 16 months from the originally envisaged date of April, 2013.

22. **Consent award Negotiations.** The consent award negotiations for first 2 villages- Lakkanmanhalli and Amargol is completed and the compensation rates are agreed at 2.5 times of 2013-14 guideline values. The Compensation award is now submitted for Government approval and once the Government approval is received the compensation award will be made for these two villages. The agreed compensation rates for these two villages are summarized below.

<table>
<thead>
<tr>
<th>Villages</th>
<th>Residential/Sq.ft (in INR)</th>
<th>Commercial/Sq.ft (in INR)</th>
<th>Agriculture/Acre (in INR Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amargol</td>
<td>1800</td>
<td>3000</td>
<td>4.62</td>
</tr>
<tr>
<td>Lakkanmanhalli</td>
<td>4000</td>
<td>6250</td>
<td>6.00</td>
</tr>
</tbody>
</table>

Note: the above rates are agreed rates which is equivalent to 2.5 time of current guideline value.

23. The negotiations were also held with other villages but they are demanding more than 2.5 times. The mission was informed that the villages are demanding for uniform rates throughout the corridor since the guideline values in some of the villages are low compared to other villages. Going forward with the consent award, there is an implication since the new land Acquisition Act do not have a provision for consent award.

24. **Impact of Layout approval conditions.** Out of the total area under acquisition, 11.25 acres of land comes under the land to be transferred to HUDA by the allottees due to layout approval conditions. The mission was informed that that the transfer of these lands is in progress and once this process is completed the land will be handed over to KRDCCL for road construction. The mission was informed that about 5-6 plots have been sold and the owners and buyers are in negotiations to sort out the issue. It was also informed that 4-5 structures have come up in these lands which will be compensated as per the structure valuation process outlined in the Resettlement Policy Framework. The mission clarified that these additional impacts due to layout approval conditions need to be documented and those affected need to be assisted in line with the policy provisions and DULT/HDBTRSCO need to seek clarification from the Government on this to avoid legal implication in the process of land acquisition.

25. **Field visit observations.** The mission interacted with some of the affected families who have received assistance for their livelihood impacts. The people have moved to nearby vacant municipal lands or some private lands on rent. The people whom the mission met have confirmed that they have received assistance. It was also notified that some of the affected tenants have vacated structures in response to notices from HDBRTSCO and they are yet to receive their assistance. It was also noted that some of the tenants near Toll Naka- Dharwad have challenged the ownership of the property they currently paying rent to the Corporation. The mission advised HDBRTSCO to verify and assess the likely risks involved in these pending court cases. The mission also observed that the land for two depots in Dharwad and Hubli where construction has commenced is free of encumbrances and there are no known land related impacts or issues. In case of ROB at Navalur, depending on the final selection of the alignment, the impacts will be assessed. As of now it is proposed to construct two separate ROBs on either side of the existing
ROB, so as to minimize the impacts and utilize the available ROW to the maximum extent. Once
the alignment is finalized the assessment of impacts and land acquisition process will be initiated.

26. **Impact on Religious Structures.** As many as 17 religious structures will be affected either
fully or partially. The mission was informed that there is an agreement with 15 affected religious
structures. In case of Dargah the agreement is yet to be reached as they are persisting to avoid
the impact to Dargah and in case of another Temple in Navalur, it will done once the final
alignment is decided to assess the actual impact to the temple. The mission noted that well laid
process has been followed in reaching the agreement with the religious trusts. In case of two
temples, the first installment of agreed amount for reconstruction has also been released. The
M&E consultants will document the process of consultation and negotiations with religious
Trusts in their efforts to resolve the issue of reconstruction of affected religious structures. The
total agreed cost for reconstruction of the 15 affected structures is INR. 8.5 million.

27. **R&R Impacts.** The R&R implementation support consultants have engaged in series of
consultations with the affected people and imparting skill upgrading activities. The consultants are
engaged with preparation and issue of identity cards, support to HDBRTSCO to disburse R&R
assistance, assisting vulnerable families to include them in the eligible Government programs and
helping them to avail Bank loans for starting new business etc. They are also assigning the joint
measurement surveys. The communication consultants have developed a brochure on Land
Acquisition describing the key features such as entitlements for different type of impacts, land
acquisition process and the details of grievance and Negotiation committee composition, the
process of identifying the people for eligible R&R assistance, etc. This brochure is available in
both English and local language, Kananda.

28. **Concurrent Monitoring of RA Implementation.** The M&E consultants have submitted the
2 quarterly progress reports. These reports summarized the outcome of consultations, verification
of affected people and assets, status of implementation of land acquisition and R&R activates. The
mission advised them to undertake the following: documenting the process followed for
consultations and negotiations with religious Trusts, assess how those PAPs have been
rehabilitated in their new sites in case of those who have shifted out of ROW so far and
document the outcome of compensation negotiations.

29. **Addendum to RAP.** A preliminary draft addendum was shared with the mission. This
addendum was necessitated due to changes out of joint measurement survey, impact of lay out
approval conditions and changes in the impact categories of PAPs a result of verification affected
people. This mission advised that this addendum needs some additional information and should
include the details of: (i) revised PAP list by impact categories and list of affected religious
structures; (ii) impact of layout conditions and how those impacts are addressed, (iii) revised
budget and time table, (iv) outcome of consultations held so far with various groups and, (vi)
options considered and finalized in case of Dharward city in response to peoples request and the
revised list of people. If the alignment for Navalur ROB is not finalized, a separate addendum
needs to be prepared once the ROB alignment is finalized and its impacts are assessed.

30. **Impact of RFCTLARR.** The new Act on land acquisition-Right to Fair Compensation and
Transparency in Land acquisition, Rehabilitation and Resettlement (RFCTLARR) has been
affected from January 01, 2014 and has strict retroactive provisions, where the land acquisition
awards are not yet made. The Government of Karnataka is now preparing Rules to roll out the new
Act provisions. There is no clarity on how the Karnataka Highway Act will be applied for land
acquisition in the context of the new Act. The HBDBRTS has approached the High court
advocate who has advised them the need for amending the Section 28(2) of Karnataka Highway
Act in the context of new Act. Section 28(2) of Karnataka Highway Act relates to compensation
determination. The Advocate brief also include the compensation and R&R provisions of new Act which corresponds to Section 28(2) of Karnataka Highway Act.

31. It is anticipated that the new works contract for mixed traffic lanes is now expected to be award in June, 2014 and the timely handing over of land by then is uncertain due to prolonged delays in land acquisition and lack of clarity on the application of new Acts provisions to complete the land acquisition process.

32. The mission advised that DULT/HDBRTSCO need to seek clarification from the Government on the use of Karnataka Highway Act for land acquisition and the applicable provisions of the new Act and share with the Bank. This needs to be followed up immediately to have more clarity on the implementation of land acquisition and resettlement impacts since the land acquisition is already affecting the progress of the road construction works.

33. **Dated Action Plan.** The mission discussed the following key target dates for the activities to be completed in the next few months.

<table>
<thead>
<tr>
<th>No</th>
<th>Actions</th>
<th>Responsibility</th>
<th>Target Date</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Addendum to RAP to record additional LA and R&amp;R Impacts and Final list of PAPs</td>
<td>HDBRTSCO</td>
<td>31-March-14</td>
<td>Original Target Date Jan-2014</td>
</tr>
<tr>
<td>2</td>
<td>Upward revision of R&amp;R assistance amounts.</td>
<td>HDBRTSCO</td>
<td>31-Mar-14</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Completion of payment of R&amp;R assistance to Non-title holders</td>
<td>HDBRTSCO</td>
<td>31-May-14</td>
<td>Original target date-Aug-13</td>
</tr>
<tr>
<td>4</td>
<td>Completion of payment of R&amp;R assistance to Non-titleholders</td>
<td>HDBRTSCO</td>
<td>30-June-14</td>
<td>Original target date-Aug-13</td>
</tr>
<tr>
<td>5</td>
<td>Assistance to reconstruction of affected religious structures</td>
<td>HDBRTSCO</td>
<td>31-July-14</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Compensation Award announcement for all villages/Towns</td>
<td>KRDC&lt;br/&gt;HDBRTSCO</td>
<td>31-Aug-14</td>
<td>Original Target date April, 2013</td>
</tr>
</tbody>
</table>

34. **Environment Management.** There have been marginal improvements in the safety provisions along the road contract already underway between Hubli and Dharwad. However, safety of vehicles and other road users continues to be at risk, especially where the concreting is incomplete or where the finished 4 lane wide concrete ends with a fall of more than 1m beyond the edge of the current formation.

35. While the sites for depots and workshop have better systems to ensure safety of sites and workers, the road is a more sensitive location since it is also used by traffic between Hubli and Dharwad. In the Dharwad workshop site, residential quarters are located on one side of the plot where the workshop is coming up. At this site, the contractor has just begun work and the mission reviewed the site lay out with reference to the location of activities within the site, as two other sides where there is no other development are available. It was agreed that HDBRTS Company will examine the feasibility of relocating facilities within the workshop such as the bus washing plant and inspection pits to ensure that any noise generating activities are located as far as practical from residential quarters that continue to be occupied. Considerations such as turning radius for buses to be serviced there, relocation of the landscaping island, and the possibility of providing additional shielding would also be considered at the time of the review.

36. In the Hubli depot, the mission was informed that unsuitable black cotton soil would need to be removed and fresh good earth would need to be filled up in some portions of the site. It was observed that while the soil was not good for structural work, buses were being parked on the existing depot on adjacent land without any problems. The mission discussed possible reuse of this
material for areas chosen for planting within and beyond the site. It was agreed that PMC and HDBRTS Company will check out the extent to which this is feasible and share the same in the next QPR.

37. The mission discussed its comments on the 1st Addendum to the EA shared by HDBRTS company focusing on the increased quantity of plantation that will be required. This follows from the increase in the number of the trees may be required to be felled for the improvements, both along the road, and in the depot and workshop areas. The current estimate is an increase of 1827 trees with counting pending in Navalur village. This includes about 1680 trees along the road between Hubli and Dharwad and 143 in the workshop/depot area. In the original plan, the latter would have resulted in loss of about 10-15 trees. The mission advised that these should be compensated in line with the agreed EMP and should be suitably factored into the plantation plan for the coming two years. In the next EA addendum, which is likely to cover the final decisions on pending items like ROB configuration in Navalur and alignment in Dharwad city, these items along with an analysis environmental, health and safety implications of the alternatives selected should also be documented.

38. The mission also advised that the MoU with the Minor Irrigation department for the timely improvement to the Navalur tank in lieu of the volume lost in the Rayapur tank needs to be in place and referenced in the next addendum of the EA. This should be supplemented with the summary of discussions on the rationale for selecting the Navalur tank on the basis of its location, limitations in Rayapur tank, and the possibility to develop the area around Rayapur tank as urban green space.

39. The mission was pleased to note that the HDBRTS Company has achieved its target of planting 8000 saplings and continues to monitor its survival. It has also made provisions for ensuring watering of these saplings in dry season in line with recommendation of its Green BRTS committee. The mission requested HDBRTS Company to dedicate one of its monthly bulletin type newsletters, close to the peak of summer, to plantation carried out and provide information regarding the shade and greenery being contributed through its plans and proposals.

40. The mission also discussed measures to ensure that the contractors, for the civil works still to be awarded, are required to properly handle the safety aspects for their workers, and for other users of work sites like traffic, pedestrian, etc. It was agreed that the Bid documents will include explicit requirement of maintaining safe conditions throughout implementation phase of these works, including possible penalties if the agreed level of safety is not maintained. This would also be highlighted in the pre-bid conference.

41. EoI for the Environmental Audit assignment has been cleared and the mission looks forward to the first report on the efficacy of the EMP measures implemented so far. This will help to build confidence in the approach adopted, and also provide an opportunity to make any course corrections that may be required.

Communications & Consultations

42. HDBRTSCO has appointed a Public Relations Officer responsible for managing the Public Information Centre. Since November 2013 several stakeholder outreach and communication activities have been undertaken by the consultants. Two study tours to the BRT System, Janmarg, in Ahmedabad for the journalists from Hubli and Dharwad were conducted in December 2013 and March 2014 respectively. The objective of the study tour was to sensitize the journalist about the BRT system and its benefits. Furthermore, other set of interactive workshops were conducted with media, bureaucrats, Karnataka Chamber of Commerce and Industry (KCCI). The elected representatives were also appraised about the BRT system. As part of the Road Safety Week, a
painting competition was also held in January 2014 with BRT being the theme of the competition. In addition branding workshop was also conducted in January 2014. HDBRTSCO is also planning to have one more round of workshop where they intend to finalize the brand name. The mission and HDBRTSCO also deliberated upon the appropriate timing for dissemination of the brand logo and there was a general consensus that the dissemination should be gradual and needs to be timed along with the BRT launch.

43. The mission was informed of the analysis of news articles undertaken by the Consultants. These were categorized into general BRTS, environmental, construction etc. along one axis and positive and negative along the other axis. The analysis suggested that the majority of the articles were in favor of the BRTS. It was advised that the Consultants must undertake a deeper analysis of the articles to review the temporal trends as the issues and concerns have evolved over time and the most relevant ones for the HDBRTS maybe those emerging over the past year. The Consultants should develop alternate messaging strategies for different groups of stakeholders.

44. **Fuel Efficiency Pilot in Hubli and Dharwad:** During the mission, NWKRTC, through DULT, expressed interest in participating in the ongoing ESMAP fuel efficiency pilot. The Bank, in principle, agreed to the request from NWKRTC and advised them to send a formal expression of interest through DULT. During the mission, the basic data requirement for participating in the fuel efficiency pilot was shared with the officials from NWKRTC.

**Key Agreed Actions**

- Complete Bid Evaluation of Package 1, 4, 5 and 6 / contract award – April 30, 2014 / May 20, 2014
- Complete Bid Evaluation of Mixed Traffic Lanes Package 4-8 laning / contract award – April 30, 2014 / May 20, 2014
- Finalise design alternative for Dharwad city section / initiate bidding process – May 31, 2014
- Submit Navalur RoB GAD for Railway approval / Finalise design - March 24, 2014 / June 15, 2014
- Addendum to RAP to record additional LA and R&R impacts and final list of PAPs – March 31, 2014
- Addendum to EIA/EMP - March 31, 2014
- Completion of payment of R&R assistance to Non-titleholders – May 31, 2014
- Compensation Award announcement for all villages/Towns – Aug 31, 2014
The mission held discussions with PMU to review the adequacy of existing financial management arrangements. The broad discussions held are highlighted below:

a) **Budgeting**: The budgetary provision for all state PIU’s and MoUD stands provided in the budget for FY 14-15. The initial budget proposal (compared to RE) as well as expenditure utilization even against revised estimate remains a concern (Refer table below). There is a need for mapping the anticipated activities with the procurement plan to ensure realistic budget projections.

<table>
<thead>
<tr>
<th>PIU</th>
<th>BE FY 13-14</th>
<th>RE FY 13-14</th>
<th>Actual expenditure till Feb 28 2014</th>
<th>% utilization of RE</th>
<th>% utilization of BE</th>
<th>Proposed BE FY 14-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>NRDA</td>
<td>400.00</td>
<td>105.73</td>
<td>21.93</td>
<td>5.48%</td>
<td>20.74%</td>
<td>600.00</td>
</tr>
<tr>
<td>KSRTC</td>
<td>70.00</td>
<td>85.96</td>
<td>35.43</td>
<td>50.61%</td>
<td>41.22%</td>
<td>33.54</td>
</tr>
<tr>
<td>AICTSL</td>
<td>361.80</td>
<td>81.63</td>
<td>8.30</td>
<td>2.29%</td>
<td>10.17%</td>
<td>5.70</td>
</tr>
<tr>
<td>PCMC*</td>
<td>1491.80</td>
<td>616.50</td>
<td>783.01</td>
<td>52.49%</td>
<td>57.03%</td>
<td>585.00</td>
</tr>
<tr>
<td>MoUD</td>
<td>94.75</td>
<td>88.28</td>
<td>39.71</td>
<td>41.91%</td>
<td>44.98%</td>
<td>138.99</td>
</tr>
<tr>
<td>HDBRTS</td>
<td>442.20</td>
<td>442.20</td>
<td>66.80</td>
<td>15.11%</td>
<td>15.11%</td>
<td>2,837.20</td>
</tr>
</tbody>
</table>

*Only includes estimates related to bank funded components. The entire project budget is sought from PCMC.

b) **External Audit**: The audit report for all PIU’s including MoUD for FY 14-15 will be due for submission by September 30 2014. For PCMC, NRDA and AICTSL PIU’s, it is noticed that although these PIU’s have undergone three audit cycle since the project inception, there is a lack of co-ordination at PIU level for getting the audits conducted and still involves substantial handholding and intervention at PMU level. All PIU’s have been advised to ensure that the project financial statements should be submitted to the auditors no later than June 30 each year to ensure early audit and sufficient time for providing clarifications to audit query (if any) by the auditors.

In case of HDBRTS, since this will be the first year of audit and will cover all expenditures incurred on the project since the commencement of retroactive period, PMU has been advised to coordinate with PIU to ensure that requisite agreements and documents are made available to auditors to ensure timely submission of project audit report to Bank.

If the PIA’s/ PMU anticipate of any delay in submission of the project audited financial statements to the Bank by September 30 2014, it is requested to advise us as soon as possible so that we can discuss and assist, wherever possible.

c) **Disallowances**: The auditors (AG, Maharashtra) has held an amount of INR 211.39 million under objection under IBRD 7818 (highlighted below). PCMC has provided its response to the auditors (Dec 2013 as well as Jan 2014) with a request for re-certification of the amount held under objection. The office of AG in their response has stated that the same will be considered during the upcoming audit for FY 13-14. In view of the same, the timeline for resolution has been extended upto September 30 2014. However, it is to be noted that post this date, the uncertified amounts will be declared ineligible and will be declared.

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2 Figures provided by PMU
deducted from future claims. PMU is requested to co-ordinate to ensure that the necessary documents and clarifications are placed before auditors for their consideration.

d) Financial progress: The financial progress of IBRD and GEF excluding DA advance stands at 18.09% and 15.84% respectively. The respective financial position on the basis of project related receipts is summarized below (workings as per Annexure 1). The project is in the process of submission of revised IUFR for the period Jan 2014 to February 2014 which will result in an additional disbursement of INR 20.30 mn (approx. USD 0.33 mn) and INR 28.20 mn (approx. USD 0.45 mn)\(^3\) on IBRD and GEF respectively.

<table>
<thead>
<tr>
<th>Financing source</th>
<th>Allocation</th>
<th>Disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>IBRD</td>
<td>105.23</td>
<td>19.04</td>
</tr>
<tr>
<td>DA Advance</td>
<td>-</td>
<td>9.00</td>
</tr>
<tr>
<td>Total</td>
<td>105.23</td>
<td>28.30*</td>
</tr>
<tr>
<td>% Disbursed inc DA</td>
<td>26.89%</td>
<td></td>
</tr>
<tr>
<td>% Disbursed exc DA</td>
<td>18.09%</td>
<td></td>
</tr>
</tbody>
</table>

*Includes front end fees of US$ 0.26 mn

<table>
<thead>
<tr>
<th>Financing source</th>
<th>Allocation</th>
<th>Disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>GEF</td>
<td>18.45</td>
<td>2.92</td>
</tr>
<tr>
<td>DA Advance</td>
<td>-</td>
<td>2.00</td>
</tr>
<tr>
<td>Total</td>
<td>18.45</td>
<td>4.92</td>
</tr>
<tr>
<td>% Disbursed inc DA</td>
<td>26.68%</td>
<td></td>
</tr>
<tr>
<td>% Disbursed exc DA</td>
<td>15.84%</td>
<td></td>
</tr>
</tbody>
</table>

*Excluding agency fees of US$ 1.88 mn

e) Reporting: The submission of IUFR is timely. The IUFR for quarter ended December 2013 stands disbursed. The project has now transitioned from half yearly to quarterly IUFR. The project will be submitting an interim IUFR for the period January to February 2014.

d) Internal Audit: As informed by PMU, the internal audit has been concluded till quarter ending December 2013 and the report for the Quarter ended received in last week of March 2014. It was informed that although these reports are being reviewed at PMU level and the discrepancies highlighted are resolved, the audit committee has been conducted upto March 2013 in the Month of November 2013. As informed by the PMU the next audit committee will be conducted in 1\(^{st}\) Week of April 2014 and PMU will appraise the Bank on the same.

\(^3\) Conversion rate of INR 62= 1 USD
## Overall rating:

<table>
<thead>
<tr>
<th>Project rating : Financial Management</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pimpri</td>
<td>MS</td>
</tr>
<tr>
<td>Naya Raipur</td>
<td>MS</td>
</tr>
<tr>
<td>Hubli</td>
<td>MS</td>
</tr>
<tr>
<td>Mysore</td>
<td>S</td>
</tr>
<tr>
<td>Indore</td>
<td>MS</td>
</tr>
<tr>
<td>PMU – MoUD</td>
<td>MS</td>
</tr>
<tr>
<td><strong>Overall Project</strong></td>
<td>MS</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Particulars</th>
<th>By Whom</th>
<th>By When</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submission of audit report for all PIA’s including MoUD</td>
<td>PMU</td>
<td>September 30 2014</td>
</tr>
<tr>
<td>Submission of responses/ recertification by auditors (PCMC)</td>
<td>PMU and PCMC</td>
<td>September 30 2014</td>
</tr>
</tbody>
</table>
### IBRD- PIU wise disbursement

<table>
<thead>
<tr>
<th>PIU’s</th>
<th>PCMC</th>
<th>Naya Raipur</th>
<th>HDBRTS</th>
<th>Unallocated</th>
<th>Total*</th>
</tr>
</thead>
<tbody>
<tr>
<td>IBRD allocation *</td>
<td>29.88</td>
<td>13.94</td>
<td>55.45</td>
<td>5.70</td>
<td>105.23</td>
</tr>
<tr>
<td>Designated advance</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td></td>
<td>9.00</td>
</tr>
<tr>
<td>Reimbursements</td>
<td>18.56</td>
<td>0.00</td>
<td>0.48</td>
<td>0.00</td>
<td>19.04</td>
</tr>
<tr>
<td>Total Disbursements</td>
<td>25.56</td>
<td>1.00</td>
<td>1.48</td>
<td>0.00</td>
<td>28.30</td>
</tr>
<tr>
<td>% Disbursed inc DA</td>
<td>85.54%</td>
<td>7.18%</td>
<td>2.66%</td>
<td></td>
<td>26.89%</td>
</tr>
<tr>
<td>% Disbursed exc DA</td>
<td>62.12%</td>
<td>0.00%</td>
<td>0.86%</td>
<td></td>
<td>18.09%</td>
</tr>
</tbody>
</table>

* Including the front end fees of USD 0.263 mn

### GEF- PIU wise disbursement

<table>
<thead>
<tr>
<th>PIU’s</th>
<th>PCMC</th>
<th>Naya Raipur</th>
<th>Indore</th>
<th>KSRTC</th>
<th>MoUD</th>
<th>HDBRTS</th>
<th>Unallocated</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GEF allocation *</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
<td>7.05</td>
<td>1.9</td>
<td>1.9</td>
<td>18.45</td>
</tr>
<tr>
<td>Designated advance</td>
<td>0.46</td>
<td>0.23</td>
<td>0.23</td>
<td>0.23</td>
<td>0.85</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Reimbursements</td>
<td>0.033</td>
<td>0.373</td>
<td>0.386</td>
<td>1.450</td>
<td>0.577</td>
<td>0.104</td>
<td>0.000</td>
<td>2.92</td>
</tr>
<tr>
<td>Total Disbursements</td>
<td>0.493</td>
<td>0.603</td>
<td>0.616</td>
<td>1.680</td>
<td>1.427</td>
<td>0.104</td>
<td>0.000</td>
<td>4.92</td>
</tr>
<tr>
<td>% Disbursed inc DA</td>
<td>25.93%</td>
<td>31.74%</td>
<td>32.42%</td>
<td>88.44%</td>
<td>20.24%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>26.68%</td>
</tr>
<tr>
<td>% Disbursed exc DA</td>
<td>1.72%</td>
<td>19.63%</td>
<td>20.32%</td>
<td>76.33%</td>
<td>8.18%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>15.84%</td>
</tr>
</tbody>
</table>

* Excluding the GEF agency fees of USD 1.88 mn

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4 As per client connection – March 5 2014
5 As per client connection – March 5 2014